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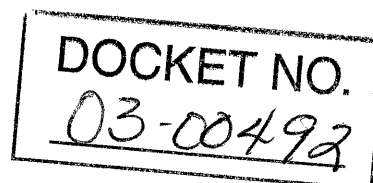
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T.R.A. DOCKET ROOM

August 26, 2003

**VIA OVERNIGHT DELIVERY**

The Honorable Sara Kyle  
Chairperson  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37219



**Re: Application of Vertex Communications, Inc. for a Certificate of Authority to Provide Competitive Prepaid Local Exchange Services in the State of Tennessee**

Dear Chairperson Kyle:

Enclosed for filing with the Tennessee Regulatory Authority are an original and fourteen (14) copies of the Application for Certificate of Authority to Provide Competitive Prepaid Local Exchange Services in the State of Tennessee of Vertex Communications, Inc. We have also enclosed the \$25.00 filing fee as required by the TRA.

Please date-stamp and return one (1) copy of this filing in the attached stamped, self-addressed envelope. Please contact the undersigned with any questions regarding this filing.

Very truly yours,

GERRY & SAPRONOV LLP

A handwritten signature in dark ink, appearing to read "Walt Sapronov". The signature is fluid and cursive.

Walt Sapronov  
Attorney for Vertex Communications, Inc.

WS/cm

Encs.

cc: Mr. Mark Camerire  
Vertex Communications, Inc.

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**IN THE MATTER OF  
THE APPLICATION OF VERTEX  
COMMUNICATIONS, INC.**

**FOR A CERTIFICATE TO PROVIDE  
COMPETING LOCAL  
TELECOMMUNICATIONS  
SERVICES IN THE STATE OF TENNESSEE**

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) **Docket No.** \_\_\_\_\_  
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**APPLICATION FOR A CERTIFICATE TO PROVIDE COMPETING LOCAL  
TELECOMMUNICATIONS SERVICES**

Pursuant to applicable Tennessee Statutes and the Rules and Regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), Vertex Communications, Inc. ("Vertex") (or "Applicant") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant Vertex the authority to provide facilities-based competing local telecommunications services, including prepaid local telecommunications services, within the State of Tennessee. Vertex is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competing local telecommunications services.<sup>1</sup>

In support of its Application, Vertex submits the following:

1. The full name and address of the Applicant is:

**Vertex Communications, Inc.  
210 East Main Street  
Walhalla, SC 29691  
Telephone: 864-482-0108  
Facsimile: 864-482-0146**

---

<sup>1</sup> TCA 65-4-201.

2. Questions regarding this application should be directed to:

**Walt Saprnov, Esq.  
Gerry & Saprnov LLP  
Three Ravinia Drive, Suite 1455  
Atlanta, Georgia 30346  
Telephone: 770-399-9100  
Facsimile: 770-395-0505**

3. Contact name and address for Applicant is:

**Mark E. Camerire  
President & Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, SC 29691  
Telephone: 864-331-2710, Ext. 103  
Facsimile: 864-331-2720  
E-mail Address: mark@vrtxcom.com**

4. Organizational Chart of Corporate Structure: Include any pertinent acquisition or merger information

**See Exhibit "A" attached hereto.**

5. Corporate Information

**Vertex was incorporated in the State of South Carolina on May 21, 2003. A copy of Vertex's Articles of Incorporation and Bylaws are attached hereto at Exhibit "B". A copy of Vertex's Authority to Transact Business in the State of Tennessee is attached hereto at Exhibit "C". The names and addresses of the principal corporate officers are attached hereto at Exhibit "D". Vertex has no officers in Tennessee. The biographies of Vertex's principal officers and any other key technical staff are attached hereto at Exhibit "E".**

6. Vertex possesses the managerial, technical, and financial ability to provide local telecommunications service in the State of Tennessee as demonstrated below:

A. Financial Qualifications

**In support of its financial qualifications, Vertex submits a credit statement from CapitalBank in Greenwood, SC and three-year financial projections attached hereto at Exhibit "F" (the "Report"). The Report projects steady growth in CLEC customer activations and monthly revenues over a thirty-six month period. Vertex is currently seeking authorization to provide resold and/or facilities-based local**

telecommunications services in the states of TN, GA, LA, AL and KY and expects to have applications filed in all five states by August 31, 2003.

Vertex plans to negotiate or adopt a resale and UNE-P interconnection agreement with BellSouth Telecommunications, Inc. and to offer local services to Tennessee customers through such a platform. Because the terms and conditions of such an agreement are yet to be determined, Vertex has not developed projections relating to reciprocal compensation.

Based on its financial projections and creditworthiness, Vertex asserts that it has the financial resources necessary to operate as a competitive local service provider in Tennessee.

B. Managerial Ability

As illustrated in Exhibit "E" attached hereto, Vertex has the managerial expertise to successfully operate a telecommunications enterprise in Tennessee. As described in the attached biographical information, Vertex's management team has extensive management and business experience in telecommunications.

C. Technical Qualifications

Vertex's services will satisfy the minimum standards established by the TRA. The Company will file and maintain tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required of all LECs regulated by the TRA. Applicant will not require customers to purchase CPE, which cannot be used with the incumbent Local Exchange Carrier's systems. As noted in the biographies of the officers and directors attached hereto at Exhibit "E", the Vertex management team has extensive technical and management experience in the telecommunications industry. Thus, Vertex is certainly technically qualified to provide local exchange service in Tennessee.

7. Proposed Service Area

Vertex is not currently authorized to provide telecommunications services in any state but intends to have certificate applications filed in TN, AL, LA, GA and KY by August 31, 2003.

Vertex seeks authority to offer its services throughout the State of Tennessee in all local exchanges that are open to competition. Initially, however, Vertex

plans to negotiate or adopt a resale and a UNE-P interconnection agreement with BellSouth and to offer services through this platform to customers in BellSouth's certificated areas. Vertex does not currently plan to construct its own facilities in Tennessee.

8. Types of Local and Interexchange Services to be provided

Vertex is seeking authority to provide business and residential local exchange telecommunications services (including prepaid local services) to Tennessee consumers pursuant to a negotiated or adopted resale and interconnection agreement with BellSouth Telecommunications, Inc. and potentially other incumbent local exchange companies ("ILECs") in Tennessee. Vertex wants to serve fixed-income or other consumers who may have difficulty affording or qualifying for standard local service with BellSouth or other traditional LECs but who are eligible for Vertex's prepaid or other local plans.

Vertex will use a proprietary, in-house web enabled database invoicing system to process orders, bill customers and provide billing reconciliation with other carriers. In addition, Vertex will maintain a state-of-the-art customer care center in which both agents and customers can call toll free and request billing, order status, and product information. To provide an extra element of service to Tennessee consumers, all Vertex agents will be able to access their respective customer information via the Internet.

For the convenience of consumers, Vertex intends to partner with various retailers with whom Vertex's customers traditionally do business, including check cashers, rent-to-own stores, pawnshops, and wireless entities. These retailers will serve as Vertex agents and will use the agent interface system described above to engage the services of Vertex.

Vertex seeks to offer its prepaid and other customers in Tennessee quality local exchange services that they might not otherwise be able to obtain from traditional telephone companies. Moreover, many consumers will find Vertex's network of agents throughout the community more convenient to do business with than other telephone companies. The result will be increased telecommunications competition, more choices and better prices for Tennessee citizens.

Vertex respectfully requests that the TRA waive any customer billing, deposit, advance payment or other rules that are inconsistent with the offering of prepaid local services.

9. Repair and Maintenance

Vertex understands the importance of effective customer service for local service customers. Vertex has made arrangements for its customers to call

**the company at its toll-free customer service number 1-888-745-5758. In addition, customers may contact the company in writing at the headquarters address, as well as via email at [Denver@vrtxcom.com](mailto:Denver@vrtxcom.com). The toll-free number will be printed on the customer's monthly billing statements. Vertex does not have a Tennessee contact person at this time and asks that the above listed toll-free number be used until such time as a contact within Tennessee is established.**

10. Small and Minority-Owned Telecommunications Business Participation Plan (65-5-212)

**See Exhibit "G" attached hereto.**

11. Toll Dialing Parity Plan

**See Exhibit "H" attached hereto.**

12. Applicant has served notice of this application to the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding the company's intention of operating geographically.

**See Exhibit "L" attached hereto.**

13. Numbering Issues

**See Exhibit "I" attached hereto.**

14. Tennessee Specific Operational Issues

**See Exhibit "J" attached hereto.**

15. Miscellaneous

**A. See Pre-filed Testimony Exhibit "K" attached hereto.**

**B. Applicant may require customer deposits as stated in its tariffs, subject to TRA regulations.**

**C. Vertex has not been subject to complaints in any state.**

**D. Vertex will file tariffs pursuant to TRA regulations prior to offering any telecommunications services as described in this Application in the State of Tennessee.**

## **CONCLUSION**


It is Vertex's belief that the grant of this Application by the TRA will further the goals of the Tennessee Legislature and serve the public interest by expanding the availability of competitive local telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customers increased efficiencies and cost savings. Authorizing Vertex to provide local exchange telecommunications services (including prepaid local services) will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by Vertex and indirectly, because Vertex's presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

Therefore, Vertex respectfully requests that the TRA enter an order granting it a certificate of convenience and necessity to operate as a competing telecommunications service provider and authority to provide a full range of local services (including prepaid local services) on a facilities-based (UNE-P) and resale basis throughout the State of Tennessee in the service areas of BellSouth, Sprint and any other ILEC that does not enjoy a rural exemption under Section 251(f) of the Telecommunications Act of 1996. For the reasons stated above, Vertex's provision of these services would promote the public interest by providing high-quality service at competitive prices and by creating

greater economic incentives for the development and improvement for all competing providers.

Respectfully submitted this 25<sup>TH</sup> day of August, 2003.

By:   
Brent Saxon  
Vertex Communications, Inc.



**EXHIBIT "A"**

**ORGANIZATIONAL CHART OF CORPORATE STRUCTURE**

**Vertex Communications, Inc.**

Vertex Communications, Inc. was incorporated in South Carolina on May 21, 2003 and has no corporate affiliates. Vertex has not been the subject of any corporate merger or acquisition activity.

**EXHIBIT "B"**

**ARTICLES OF INCORPORATION AND BYLAWS**

## ARTICLES OF INCORPORATION

TYPE OR PRINT CLEARLY IN BLACK INK

1. The name of the proposed corporation is Vertex Communications, Inc.
2. The initial registered office of the corporation is 210 East Main Street  
Street Address
- |                 |               |                       |              |
|-----------------|---------------|-----------------------|--------------|
| <u>Walhalla</u> | <u>Oconee</u> | <u>South Carolina</u> | <u>29691</u> |
| City            | County        | State                 | Zip Code     |

and the initial registered agent at such address is William B. Saxon  
Print Name

I hereby consent to the appointment as registered agent of the corporation:

Agent's Signature

3. The corporation is authorized to issue shares of stock as follows. Complete "a" or "b", whichever is applicable:

- a. ☒ The corporation is authorized to issue a single class of shares, the total number of shares authorized is 100,000.
- b. ☐ The corporation is authorized to issue more that one class of shares:

Class of Shares

Authorized No. of Each Class

The relative right, preference, and limitations of the shares of each class, and of each series within a class, are as follows:

4. The existence of the corporation shall begin as of the filing date with the Secretary of State unless a delayed date is indicated (See Section 33-1-230(b) of the 1976 South Carolina Code of Laws, as amended) \_\_\_\_\_

5. The optional provisions, which the corporation elects to include in the articles of incorporation, are as follows (See the applicable provisions of Sections 33-2-102, 35-2-105, and 35-2-221 of the 1976 South Carolina Code of Laws, as amended).

6. The name, address, and signature of each incorporator is as follows (only one is required):

a. William B. Saxon

Name

210 East Main Street, Walhalla, SC 29691

Address

Signature

b.

Name

Address

Signature

c.

Name

Address

Signature

7. I, Peter J. Manning, an attorney licensed to practice in the state of South Carolina, certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements of Chapter 2, Title 33 of the 1976 South Carolina Code of Laws, as amended, relating to the articles of incorporation.

Date \_\_\_\_\_

Signature

Peter J. Manning

Type or Print Name

P.O. Box 3429

Address

Greenwood, SC 29648

(864) 223-8850

Telephone Number

**FILING INSTRUCTIONS**

1. Two copies of this form, the original and either a duplicate original or a conformed copy, must be filed.
2. If the space in this form is insufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form.
3. Enclose the fee of \$135.00 payable to the Secretary of State.
4. THIS FORM MUST BE ACCOMPANIED BY THE FIRST REPORT TO CORPORATIONS (SEE SECTION 12-19-20 OF THE 1976 SOUTH CAROLINA CODE OF LAWS, AS AMENDED).

Return to:            Secretary of State  
                         PO Box 11350  
                         Columbia, SC 29211

**SPECIAL NOTE**

THE FILING OF THIS DOCUMENT DOES NOT, IN AND OF ITSELF, PROVIDE AN EXCLUSIVE RIGHT TO USE THIS CORPORATE NAME ON OR IN CONNECTION WITH ANY PRODUCT OR SERVICE. USE OF A NAME AS A TRADEMARK OR SERVICE MARK WILL REQUIRE FURTHER CLEARANCE AND REGISTRATION AND BE AFFECTED BY PRIOR USE OF THE MARK. FOR MORE INFORMATION, CONTACT THE TRADEMARKS DIVISION OF THE SECRETARY OF STATE'S OFFICE AT (803) 734-1728.

# BYLAWS

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## BYLAWS

### VERTEX COMMUNICATIONS, INC.

#### ARTICLE I. Principal Office

The principal office of the corporation in the State of South Carolina shall be located in the County of Oconee. Such office is referred to herein as the "Principal Office".

#### ARTICLE II. Shareholders

SECTION 1. Annual Meeting. The annual meeting of the shareholders shall be held on the Third Monday in the month of March in each year at 10:00 a.m., unless otherwise provided by resolution of the shareholders, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for the annual meeting of the shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as convenient.

SECTION 2. Special Meetings. Special meetings of the shareholders may be called by the Chairman of the Board or the President, and shall be called by the Chairman of the Board, the President, or the Secretary at the request in writing of a majority of the Board of Directors or at the request in writing by the holders of not less than ten percent of the shares entitled to vote at the meeting. The Secretary shall serve notice of any such meeting in the manner prescribed by Section 4 of this Article. Business transacted at any special meeting shall be confined to the purposes stated in the notice of the meeting and matters germane thereto.

SECTION 3. Place of Meeting. The person calling any annual or special meeting of the shareholders may designate any place within the county where the Principal Office is located as the place of meeting. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, either within or without the State of South Carolina, as the place for the holding of such meeting. If no designation is made, the place of meeting shall be the Principal Office.

SECTION 4. Notice of Meeting. Written notice stating the place, date and hour of the meeting, and in case of a special meeting the purposes for which the meeting is called, shall be delivered not less than ten or more than sixty days before the date of the meeting, either personally or by mail, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid. Notice of a meeting of shareholders need not be given to any shareholder who signed a waiver of notice, in person or by proxy, either before or after the meeting. The attendance of a shareholder at a meeting, in person or by proxy, shall itself constitute waiver of notice, except as to a shareholder who objects at the beginning of the meeting (or promptly upon his arrival) to holding the meeting or transacting business at the meeting. The attendance of a shareholder at a meeting waives objection

to consideration at the meeting of a particular matter that is not within the purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

SECTION 5. Closing of Transfer Books or Fixing of Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not to exceed sixty days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date to be not more than sixty days, and in the case of a meeting of shareholders not less than ten days, prior to the date on which the action requiring such determination of shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

SECTION 6. Voting Lists. At least ten days before each meeting of shareholders, the officer or agent having charge of the stock transfer books of the corporation shall make a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order, with the address of and the number of shares held by each. For a period of ten days prior to such meeting, such list shall be kept on file at the Principal Office and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be available for inspection by any shareholder, his agent, or attorney at any time during the meeting. The original stock transfer book shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

SECTION 7. Quorum. A majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly organized meeting at which a quorum was present may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

SECTION 8. Voting.

(a) Except as otherwise provided, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote of the shareholders.

(b) At all meetings of shareholders, a shareholder may vote in person, by proxy executed in writing by the shareholder or by his or her duly authorized attorney in fact. All proxies must have an effective date. The appointment of a proxy shall be valid for eleven months or such shorter time as may be specified in the proxy. Except as provided by 33-7-220(d) of The South Carolina Business Corporation Act of 1988, relating to irrevocable proxies, every proxy shall be revocable at the pleasure of the shareholder executing it. Revocation of a proxy may be effected by delivery to the Secretary of the corporation of an instrument which by its terms revokes such proxy or by a duly executed proxy bearing a later date.

(c) The corporation is prohibited from voting any shares issued by it, including treasury shares; furthermore, any such shares disqualified from voting shall not be counted in determining the total number of outstanding shares at any given time. Shares standing in the name of another corporation may be voted by a duly authorized corporate officer or by an agent or proxy as the bylaws of such corporation may prescribe, or in the absence of such provision, as the board of directors of such corporation may determine. Any fiduciary may vote shares which stand of record in such fiduciary's name. Shares held by any personal representative or conservator may be voted by such person, upon proof of appointment, without transfer of shares into such representative's name. A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred on the records of the corporation into the name of the pledgee or its nominee. Shares standing in the name of a partnership may be voted by any partner, and shares standing in the name of a limited partnership may be voted by any general partner. Shares standing in the name of a person as life tenant may be voted by such life tenant. Shares standing in the name of two or more persons may be voted by one of such persons if it appears that such person is acting on behalf of all of the co-owners.

SECTION 9. Irregular Action by Shareholders. Action taken at any meeting of shareholders, however called and with whatever notice, if any, shall be deemed action of the shareholders taken at a meeting duly called and held on proper notice, if:

(a) All shareholders entitled to vote at the meeting are present in person or by proxy, and no shareholder objects to holding the meeting; or

(b) If a quorum is present either in person or by proxy, no one present objects to holding the meeting, and each absent shareholder entitled to vote at the meeting signs, either before or after the meeting, a written waiver of notice of the meeting, a written consent to the holding of the meeting, or a written approval of the action taken as shown by the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records and made a part of the minutes of the meeting. The absence from the minutes of any indication that a shareholder objected to holding the meeting shall prima facie establish that no such objection was made.

SECTION 10. Action by Shareholders Without a Meeting. Action required or permitted to be taken by shareholders may be taken without a meeting if a written consent, setting forth the action so taken, is signed by the holders of all outstanding shares entitled to vote on such action and is filed with the Secretary of the corporation as part of the corporate records. Such written consent shall have

the same effect as a unanimous vote taken at a meeting of shareholders and may be stated as such in any certificate or document.

SECTION 11. Cumulative Voting At each election of directors by the shareholders every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected and for whose election he has the right to vote, or to cumulate his votes. A shareholder who elects to cumulate his votes shall be entitled to multiply the number of shares which he is entitled to vote by the number of directors for whom he is entitled to vote and cast the product for a single candidate or distribute the product among two or more candidates.

A shareholder who intends to vote his shares cumulatively shall either (1) give written notice of such intention to the Chairman of the Board, the President or the Secretary of the corporation not less than forty-eight hours before the time fixed for the meeting, which notice must be announced in the meeting before the voting, or (2) announce his intention in the meeting before the voting for directors commences; and all shareholders entitled to vote at such meeting shall without further notice be entitled to cumulate their votes. If cumulative voting is to be used, the person presiding may, or if requested by any shareholder shall, recess the meeting for a reasonable time, not to exceed two hours, to allow deliberation by shareholders.

SECTION 12. Right of Shareholders to Inspect Corporate Books and Records. Any shareholder shall have the right to inspect the corporation's books and records of account, minutes of meetings of the shareholders, and record of the shareholders under conditions as specified by the Board of Directors or as provided in The South Carolina Business Corporation Act.

### ARTICLE III. Board of Directors

SECTION 1. Number. The Board of Directors shall consist of three members.

SECTION 2. Tenure and Qualifications. The initial Board of Directors shall be elected by the incorporators or shareholders. Each director shall hold office until his or her successor is elected and qualified at the next annual meeting of shareholders. Directors need not be residents of South Carolina or shareholders of the corporation.

SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held, without notice other than as provided in this section, immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings, without notice other than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman, the President or any two directors. The person or persons calling a special meeting of the Board may fix the time and place for such meeting, but the place must be within the county where the Principal Office is located.

SECTION 5. Meetings by Telephone or Other Means. The Board of Directors may conduct a meeting by means of telephone conference call or other means of communication by which all

persons participating in the meeting can hear one another at the same time and participation in the meeting by such means shall constitute presence in person at such meeting.

SECTION 6. Notice. Written notice stating the place, date and hour of any special meeting of the Board of Directors shall be given to each director at least two (2) days prior to the time set for such meeting. Such notice may be delivered personally, by mail or by facsimile. If mailed, such notice shall be deemed to be delivered two (2) days after it is deposited in the United States mail addressed to the last known address of the director, with postage thereon prepaid. If by facsimile, delivery of such notice must be acknowledged in writing (including facsimile) in order to be effective, and such delivery shall be effective from the time acknowledged. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except as to a director who objects at the beginning of the meeting (or promptly upon his arrival) to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 7. Quorum. A majority of the then serving directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 8. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 9. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the authorized number of members of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by unanimous vote of the shareholders or as a part of the annual election of directors.

SECTION 10. Removal. The entire Board of Directors or any individual director may be removed, with or without cause, at a duly called meeting of shareholders by vote of the holders of a majority of the shares then entitled to vote at an election of directors; provided, that no director who has been elected by cumulative voting may be removed if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors. If any or all directors are removed, new directors may be elected by the shareholders at the same meeting.

SECTION 11. Presumption of Assent. A director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail, return receipt requested, to the Secretary of the corporation postmarked on the same day that the meeting ended. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 12. Action by Directors Without a Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is assented to by all members of the Board. The action may be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. Action evidenced by written consent is effective when the last director signs the consent, unless the consent specifies a different effective date. A consent so signed has the effect of a unanimous vote taken at a meeting and may be so described in any certificate or document.

#### ARTICLE IV. Officers

SECTION 1. Officers. The officers of the corporation shall be a Chairman of the Board (if elected by the Board), a President, one or more Vice-Presidents as the Board may from time to time determine, a Secretary and a Treasurer.

SECTION 2. Election. The Board of Directors, at its regular meeting after each annual meeting of the shareholders, shall elect a Chairman of the Board (if it chooses to do so) and a President from their own number, and shall elect a Vice-President, a Secretary and a Treasurer who need not be members of the Board.

SECTION 3. Additional Officers. The Board of Directors may appoint additional vice-presidents, assistant secretaries, assistant treasurers, and such other officers and agents as the Board may deem necessary or appropriate, who shall have such authority and shall perform such duties as shall be prescribed from time to time by the Board of Directors.

SECTION 4. Terms. The officers of the corporation shall hold office until their successors are elected. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the then serving directors.

SECTION 5. Compensation. The salaries and other compensation of the officers of the corporation shall be fixed by the Board of Directors.

SECTION 6. Chairman of the Board. The Chairman of the Board, if one has been elected, shall have general supervision and oversight of the affairs of the corporation and shall give such counsel and advice as from time to time may be by him deemed appropriate. He shall preside at the meetings of the shareholders and at the meetings of the Board of Directors.

SECTION 7. President. Unless the Chairman of the Board is designated by the Board of Directors or by the shareholders as such, the President shall be the Chief Executive Officer (CEO) of the corporation. If no Chairman of the Board has been elected or in the absence of the Chairman of the Board, the President shall preside at the meetings of the shareholders and the Board of Directors. He shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board are carried into effect, except as the Board may lawfully delegate any specific powers to any other officer or officers or agents of the corporation. He shall have the

power to appoint and remove officers and employees of the corporation, except those elected or appointed by the Board of Directors, and shall fix their compensation except as otherwise provided by the Board of Directors. The President shall execute documents on behalf of the corporation as authorized by the Board, shall be an ex officio member with seat, voice and vote of any committees appointed by the Board of Directors (unless the Board of Directors shall specifically provide otherwise) and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

SECTION 8. Vice-President. The Vice-President, in the absence or upon the disability of the President, shall perform the duties and exercise the powers of the President, and shall perform such other duties as shall from time to time be imposed upon him by the Board of Directors. If more than one Vice-President shall be elected by the Board of Directors, the most senior Vice-President shall perform the duties and exercise the powers of the President in the absence or upon the disability of the President.

SECTION 9. Secretary. The Secretary shall attend all meetings of the Board of Directors and of the shareholders, and shall prepare and retain with the records of the corporation minutes or unanimous consents recording all actions taken by the shareholders and/or directors, and shall perform like duties for any committees appointed by the Board of Directors when required. He shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors. He shall perform such other duties as shall from time to time be assigned to him by the Chairman of the Board, the President, the Board of Directors or the shareholders. He shall keep at the Principal Office the stock transfer books of the corporation, which shall contain the names and addresses of the shareholders and the number of shares held by each of them.

SECTION 10. Treasurer. The Treasurer shall have the custody of the funds and securities of the corporation, shall keep, or cause to be kept under his direction, full and accurate accounts of receipts and disbursements of the corporation, and shall deposit all moneys and other valuables of the corporation in the name and to the credit of the corporation in such depositories as may from time to time be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors and shall render to the President and to the Board of Directors, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the corporation.

## ARTICLE V. Indemnification

The corporation, by action of the Board or otherwise as provided in The South Carolina Business Corporation Act as in effect from time to time (the "Act"), is authorized to indemnify any director, officer, employee or agent for liability and/or expenses to the full extent permitted by the Act. The Board is also authorized to purchase and maintain insurance protecting directors, officers, employees and/or agents against liability and expenses as permitted by the Act. The terms used in this Article shall have the definitions and meanings set forth in the Article on Indemnification in the Act (currently §33-8-500, et seq. of the South Carolina Code of Laws).

## **ARTICLE VI.**

### **Seal**

The seal of the corporation shall have inscribed thereon the name of the corporation in an indented circle, the state of incorporation and the words "Corporate Seal".

## **ARTICLE VII.**

### **Certificates of Stock**

SECTION 1. Form. The certificates of stock of the corporation shall be in the form approved by the Board of Directors and shall be numbered and registered in the order in which they are issued. They shall exhibit the holder's name and the number of shares; and shall bear the seal of the corporation, and shall be signed by the President or a Vice-President and by the Secretary, or such other officers as the Board of Directors may designate for that purpose.

## **ARTICLE VIII.**

### **Dividends**

The Board of Directors may, from time to time, declare, and the corporation may pay, dividends on the outstanding shares. The dividends may be declared by the Board of Directors at any regular or special meeting of the Board. Dividends may be paid in cash or property out of the unreserved and unrestricted earned surplus of the corporation. No dividends shall be declared paid when the corporation is insolvent or when the payment of the dividend would render the corporation insolvent, or when the declaration or payment would be contrary to any restriction contained in the Articles of Incorporation.

## **ARTICLE IX.**

### **General Provisions**

SECTION 1. Fiscal Year. The fiscal year of the corporation shall begin on the first day of January in each year.

SECTION 2. Contracts, Loans, Checks and Deposits. The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 3. Disallowed Deductions. Any tax deductible payment by the corporation to a shareholder or a party related to a shareholder as defined by Internal Revenue Code Section 318 which is subsequently disallowed in whole or in part as a deductible expense by state or federal taxing



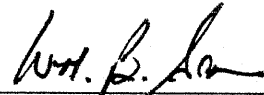
authorities shall be repaid by such party to the corporation within ninety (90) days from the date such disallowance becomes final. It shall be the duty of the Board of Directors to enforce such repayment.

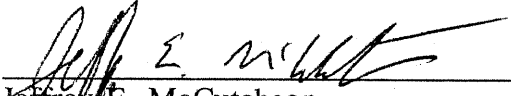
**ARTICLE X.**  
**Amendment of Bylaws**

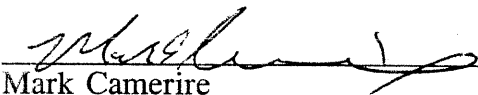
These Bylaws may be amended at any annual or special meeting of the shareholders: (a) by the affirmative vote of all shareholders of the corporation; or (b) if the notice of such meeting contained notice of such amendment, by the affirmative vote of the holders of a majority of the shares entitled to vote.

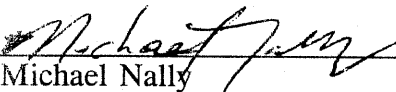
**CERTIFICATE**

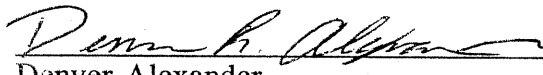
The foregoing Bylaws are adopted as the Bylaws of VERTEX COMMUNICATIONS, INC., by unanimous approval of the Directors and Shareholders of the corporation as of the 21<sup>st</sup> day of MAY, 2003.

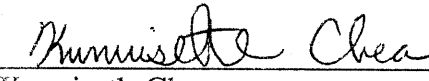
  
\_\_\_\_\_  
William B. Saxon

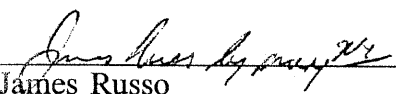
  
\_\_\_\_\_  
Jeffrey E. McCutcheon

  
\_\_\_\_\_  
Mark Camerire

  
\_\_\_\_\_  
Michael Nally

  
\_\_\_\_\_  
Denver Alexander

  
\_\_\_\_\_  
Kunviseth Chea

  
\_\_\_\_\_  
James Russo

**EXHIBIT "C"**

**AUTHORITY TO TRANSACT BUSINESS IN THE STATE OF TENNESSEE**

Secretary of State  
Division of Business Services  
312 Eighth Avenue North  
6th Floor, William R. Snodgrass Tower  
Nashville, Tennessee 37243

DATE: 07/15/03  
REQUEST NUMBER: 4861-0705  
TELEPHONE CONTACT: (615) 741-2286  
FILE DATE/TIME: 07/14/03 1220  
EFFECTIVE DATE/TIME: 07/14/03 1220  
CONTROL NUMBER: 0450285

TO:  
CFS  
8161 HWY 100 172  
NASHVILLE, TN 37221

RE:  
VERTEX COMMUNICATIONS, INC.  
APPLICATION FOR CERTIFICATE OF AUTHORITY -  
FOR PROFIT

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED CERTIFICATE OF  
AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE  
ON OR BEFORE THE FIRST DATE OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE  
CORPORATION'S FISCAL YEAR. PLEASE PROVIDE THIS OFFICE WITH WRITTEN  
NOTIFICATION OF THE CORPORATION'S FISCAL YEAR. THIS OFFICE WILL MAIL THE  
REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE  
ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS  
OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED  
AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE REVOCATION  
OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR  
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -  
FOR PROFIT

ON DATE: 07/15/03

FROM:  
CFS  
8161 HIGHWAY 100  
#172  
NASHVILLE, TN 37221-0000

RECEIVED: FEES \$0.00  
TOTAL PAYMENT RECEIVED: \$600.00

RECEIPT NUMBER: 00003329773  
ACCOUNT NUMBER: 00101230



*Riley C. Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

State of Tennessee



Department of State

Corporate Filings  
312 Eighth Avenue North  
6th Floor, William R. Snodgrass Tower  
Nashville, TN 37243

APPLICATION FOR  
CERTIFICATE OF AUTHORITY  
(FOR PROFIT)

For Office Use Only

FILED  
JUN 27 2003  
CLERK OF THE SECRETARY OF STATE

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is Vertex Communications, Inc.

\*If different, the name under which the certificate of authority is to be obtained is \_\_\_\_\_

[NOTES: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. \*If obtaining a certificate of authority under a different corporate name, an application for registration of an assumed corporate name must be filed pursuant to Section 48-14-101(d) with an additional \$20.00 fee.]

2. The state or country under whose law it is incorporated is South Carolina

3. The date of its incorporation is 05/21/2003 (must be month, day, and year), and the period of duration, if other than perpetual, is \_\_\_\_\_

4. The complete street address (including zip code) of its principal office is  
210 East Main Street, Walhalla, SC 29691

Street City State/Country Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee and the name of its registered agent is

c/o C T CORPORATION SYSTEM, 530 Gay Street, Knoxville, Tennessee, Knox County 37902

Street City State/Country Zip Code

Registered Agent C T CORPORATION SYSTEM

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

William B. Saxon 210 East Main Street, Walhalla, SC 29691

Mark E. Camerire 210 East Main Street, Walhalla, SC 29691

7. The names and complete business addresses (including zip code) of its current board of directors are: (Attach separate sheet if necessary.)

Jeffrey E. McCutcheon 210 East Main Street  
Walhalla, SC 29691

8. If the corporation commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) \_\_\_\_\_

9. The corporation is a corporation for profit.

10. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is \_\_\_\_\_ (date), \_\_\_\_\_ (time).

[NOTE: A delayed effective date shall not be later than the 90th day after the date this document is filed by the Secretary of State.]

[NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.]

Signature Date

6/27/03

Signer's Capacity

President & COO

Vertex Communications, Inc.

Name of Corporation

Signature

MARK E CAMERIRE

Name (typed or printed)

**EXHIBIT "D"**

**PRINCIPAL CORPORATE OFFICERS**

**Vertex Communications, Inc.**

**Officers & Directors**

William B. Saxon	CEO	210 East Main Street Walhalla, SC 29691
Mark E. Camerire	President & COO	210 East Main Street Walhalla, SC 29691
Jeffrey E. McCutcheon	Director	210 East Main Street Walhalla, SC 29691

**EXHIBIT "E"**

**BIOGRAPHIES**

**Mark E. Camerire**  
1313 Cherokee Dr., Seneca SC 29672  
(864) 888-3906  
E-mail: mc@vrtxcom.com

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### **OBJECTIVE**

Seeking a senior management position with a financially secure and goal oriented company. Possess extensive telecommunications knowledge to include network and strategic development. I will apply over 14 years of diverse industry experience to ensure further success of the organization.

### **SKILL PROFILE**

- Well-rounded background in telecommunications to include training, project management, mergers and acquisitions, technical analysis, operations, installation, sales/marketing, audit/reconciliation, and customer support
- Ability to perform technical/financial feasibility and recommendations on network technologies that will compliment existing infrastructures
- Expert user of MS Office – Word, PowerPoint, Excel, Outlook, VISIO, and Access

### **WORK HISTORY**

Mar 2001 – Apr 2003 **VP Operations**, OneTone Telecom, Seneca, SC

- Responsible for the direction and day-to-day operations of the CLEC customer care center, which includes: provisioning, billing, auditing, reporting, and forecasting
- Responsible for the recommendation and implementation of all IT/Network systems
- Full P&L responsibility for \$3.5 million dollar local phone service revenue stream
- Developed a strategy for a CLEC/ISP implementation including: network design, vendor negotiation, product recommendation, and creation of a financial model to assist in financing and projection of ongoing operational requirements
- Re-engineered existing phone and data network, using an integrated solution, saving the organization \$24K annually
- Designed and implemented an online web based order entry system to streamline agent collection reconciliation, and customer invoicing
- Created a number of databases and spreadsheet applications, which compile customer data, track commission, streamline cash flow, and catalogue inventory
- Co-authored and presented company growth plan to solicit VC funding for RLEC acquisition, which led to \$12 million in project utilizable funds
- Co-developed and presented a plan to SBA lenders, which resulted in \$550k for debt restructure, allowing an additional \$8k/month to be realized in net income
- Successfully deployed and transitioned new billing platform that allows electronic bonding with local RBOC

Aug 1999 – Mar 2001 **Sr. Manger, Strategic Development**, Actel Comms., Mobile, AL

- Member of the mergers and acquisition team with responsibility for identifying operational and technical synergies
- Project lead on an aggressive southeastern market expansion plan, with responsibility for timely deployment of central office equipment and sales office support requirements
- Researched and recommended next generation network element alternatives for new CLEC market inception, to include class V alternatives and multi-service aggregators



- Co-authored corporate business plan with responsibility for providing Network Strategy, which resulted in excess of \$100 million in VC funding
- Developed and implemented converged T1 and xDSL products
- Led a team in the research and recommendation of central office and xDSL test equipment
- Performed product pricing, costing, and margin analysis on all services
- Created presentations and drawings for corporate and customer education.
- Researched and recommended all collocation targets within incumbents territory

**Jul 1998 – Aug 1999 Operations Supervisor, US LEC, Tampa, FL**

- Performed the initial equipment installation in support of a Lucent 5ESS based central office to include: DACS, GPS timing system, voicemail system, and remote access devices
- Installed and configured various channel banks in support of converged product sets. Operated AFC/GVN, Adtran, CAC, and Telco DCB-24.
- Performed installation, turn-up and ongoing maintenance of DS0 through OC-48 circuits
- Established circuit and customer history files
- Performed local circuit design engineering
- Coordinated customer configurations and systems cutovers
- Tracked, updated, and executed trouble tickets using Remedy system
- Established SOPs and routine maintenance schedules
- Operated various test sets to include T-berd 224, 310, 570, and Sunrise OCx

**Apr 1996 – Jul 1998 Operations Manager, Terralink Communications, Bosnia & Croatia**

- Managed the installation and deployment of 13 VSAT terminals and 5 microwave radio links in support of welfare phone system throughout the Balkan region
- Directed the day-to-day activities of up to 5 satellite engineers
- Responsible for liaising with British military commanders on the distribution of pre-paid calling cards and ensuring team logistics and support
- Performed initial acquisition and certification with satellite vendor Orion
- Maintained a Serbian satellite television uplink to the United States
- Operated HP Spectrum Analyzer

**Jan 1995 – Feb 1996 Field Engineer, PSINet, Herndon, VA**

- Responsible for the initial configuration and deployment of WAN equipment PoPs throughout the United States and Europe
- Configured and installed Cisco routers, terminal servers, hubs, and CBX 500 ATM switchgear
- Terminated all Bell provided T1 circuits
- Worked with Bell on the test and turn-up of T1 POTS and ISDN circuits
- Performed remote software upgrades and systems testing throughout the network

**Aug 1989 – Jan 1995 Shift Supervisor, US Army, Stuttgart, GE & Pentagon, VA**

- Acted as military shift supervisor responsible for the direction of up to 12 technical controllers
- Operate, adjust, and perform cryptographic key changes on KG-34, 81, 84A/C, and KG-194
- Troubleshoot outages on DS0 through DS3 level circuits
- Assisted in the development and implementation of the Codex/Motorola Network Management System
- Operate and monitor the WAWS (Washington Area Wideband System) and IDNX systems
- Prepared and delivered site and systems status reporting to DISA and military monitor and control centers

## **EDUCATION**

BS Business Management, University of Phoenix, Phoenix, AZ  
Diploma, (March, 2003)

AA/E-Commerce Technology, Keiser College, Melbourne, FL  
Diploma, (Nov., 2002)

Bellsouth Tariffs Course, Atlanta, GA  
Certificate, 2002

Fujitsu Lightwave Multiplexers FLM 6/150/600/2400, Tampa, FL  
Certificate, 1999

ARG Essentials of Telecommunications/WAN, Reston, VA  
Certificate, 1998

Alcatel 1631/30 SX SMC SONET Cross Connect O&M, Richardson, TX  
Certificate, 1998

Total Quality Management, Pentagon, VA  
Certificate, 1993

Non Commissioned Officers Academy, Ft. Campbell, KY  
Diploma, 1993

AT&T Digital Patch and Access System (DPAS/DACS), Stuttgart, GE  
Certificate, 1990

Army Systems Controller School – MOS 31P – Fort Gordon, GA  
Certificate, 1990

# Paul Nalley

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## Experience

2002-2003                      OneTone Telecom, Inc.                      Seneca, SC

### **Senior Manager IT**

- Created and managed a database driven online agent interface.
- Responsible for creating CLEC proprietary billing and payment system.
- Managed all critical IT systems throughout the corporation.
- Automated back office processes, inventory control, & system upgrades

1999-2001                      Nuvox Communications, Inc.                      Greenville, SC

### **NOC Technician / Hostmaster**

- Trouble resolution on customer issue with other CLEC s.
- Assisted creating web based billing interface for CLEC customers.
- In charge of Unix based DNS servers for entire network.
- Assisted in implementation information interface for customers.

1999                                  Innova Communications, Inc.                      Clemson, SC

### **Technical Support Manager / Network Operations**

- Overseen 15 technicians and handled escalated issues.
- Responsible for all handling high level customer issues.
- Performed maintenance on all Unix and Windows servers.
- In charge of all internal network issues.
- Implemented online troubleshooting system and problem tracking system.

1998 - 1999                      Carolina Online, Inc.                                  Anderson, SC

### **Technical Support Representative**

- Fielded support calls for ISP customers.
- Resolved customer issues ranging from Windows 9x, NT and Mac OS to hardware issues.
- Built online troubleshooting system for technicians.

## Education

2003                                  Keiser College                                  Melbourne, FL

- Candidate for graduation in Computer Network Administrator

1994-1998                      Tri-County Technical College                      Pendleton, SC

- Enrolled in Computer Technology program.

Seth Chea  
202 Teardrop Trail  
Seneca, South Carolina 29672  
864-985-0485

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## **Education**

### **Tri-County Technical College**

Pendleton, South Carolina

June 1989 – June 1991

Received Associate Degree in Industrial Technology in 1991. Majored in Communications and Business & Human services. Courses include Public Speaking, Communications Law, Business Statistics, and AutoCAD.

### **Clemson University**

Clemson, South Carolina

Sept. 1988 – May 1989

Majored in Engineering. Courses include Business Law, Political Science, Engineering, and Communications.

## **Employment**

### **Vertex Communications, Inc.**

Walhalla, South Carolina

April 2003 – Present

Act as outside agent relations director. Duties include but not limited to acquiring agents, customer-service to both agents and customers, tariffs with ILEC's, and competitive analysis.

### **OneTone Telecom, Inc.**

Seneca, South Carolina

July 2000 – April 2003

Senior Manager Outside Agent Relations

Call Center Manager

Customer Care Representative

Responsibility for acquiring agents, customer care, compensating agents, tariffs with ILEC's, and establishing marketing strategy.

### **BellSouth Telecommunications**

Anderson, South Carolina

Charlotte, North Carolina

June 1997 – May 2000

Service Technician, Construction, Fiber Optics, Central Office Care.

# DENVER R. ALEXANDER

129 Lake Wood Dr.  
West Union SC, 29696  
(864) 718-9258

## OBJECTIVE

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To become a leading customer service executive and leverage 10 years of customer service experience to further the success of the company.

## EXPERIENCE

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1999-2003      One Tone Telecom, Inc.      Seneca, SC

*Director of Satellite Services*

- Managed 30 employees & \$ 1 Million annual revenue channel.
- Marketing, Advertising & Sales Initiatives.
- Implemented training courses for new recruits — speeding profitability.
- Lowest customer churn in the South East reign.
- Developed and implemented a customer care policy reducing churn 7% and increasing referral sales 11%.

1994 -1999      Talon Communications, Inc.      Seneca, SC

*District Manager*

- Managed 10 store locations.
- Hired and trained all Managers and Customer Service Representative.
- Implemented Award Winning Customer Care Service Program.
- Reduced churn 4%
- Employee of the Year 1998.

## EDUCATION

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- Freedman Multi Store Supervision Course
  - Customer Service Work Shop (Verizon Wireless)
  - Crises Management Certificate
  - Conflict Resolution Training
-

**EXHIBIT "F"**

**FINANCIAL PROJECTIONS**



**CapitalBank**

June 27, 2003

To Whom It May Concern:

Re: Vertex Communications, Inc.

Vertex Communications, Inc. has an initial credit limit of \$380,000 with CapitalBank. The CEO, W. Brent Saxon, has been our customer since 1992 with three-figure average deposits. Mr. Saxon has a credit rating of excellent with CapitalBank. If further information is needed, it must be requested in writing with Mr. Saxon's authorization.

A handwritten signature in black ink that reads "Lynn Hall". The signature is fluid and cursive.

Lynn Hall  
Banking Officer  
CapitalBank  
P.O. Box 218  
Greenwood, SC 29648  
864-941-8200

# VerteX Communications Financial Projections

Summary P&L	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Revenue												
Pre-Paid CLEC Activations	87,000	87,000	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100
Pre-Paid Recurring	0	67,638	135,275	155,567	175,858	196,149	216,441	236,732	257,023	277,315	297,606	317,897
LD	450	450	135	135	135	135	135	135	135	135	135	135
ISP												
Agent Commission	18,000	30,300	30,000	33,690	37,380	41,070	44,760	48,450	52,140	55,830	59,520	63,210
Total Revenue	\$87,450	\$155,088	\$161,510	\$181,802	\$202,093	\$222,384	\$242,676	\$262,967	\$283,258	\$303,550	\$323,841	\$344,132
COGS												
Pre-Paid CLEC Activations	0		111,000	111,000	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300
Pre-Paid Recurring	0		0	36,900	73,800	84,670	95,540	107,010	118,080	129,150	140,220	151,290
LD	0		263	263	79	79	79	79	79	79	79	79
ISP												
Agent Commission	18,000	30,300	30,000	33,690	37,380	41,070	44,760	48,450	52,140	55,830	59,520	63,210
Total COGS	18,000.00	30,300.00	141,262.50	181,852.50	144,558.75	159,318.75	174,078.75	188,838.75	203,598.75	218,358.75	233,118.75	247,878.75
Gross Profit	69,450.00	124,787.70	20,247.90	50,799	57,534.27	63,065.58	68,596.89	74,128.20	79,659.51	85,190.82	90,722.13	96,253.44
SG&A												
Compensation - Personnel Sched.	25,750	25,750	28,750	28,750	28,750	28,750	30,167	30,167	30,167	31,583	31,583	31,583
Compensation - Bonus	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Taxes & Fringes	5,150	5,150	5,750	5,750	5,750	5,750	6,033	6,033	6,033	6,317	6,317	6,317
Office Rent (Including Utilities)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cellular & Paging	306	306	306	306	306	306	306	306	306	306	306	306
Legal Fees (Tatiff, etc.)	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Maintenance & Repairs	0	0	0	0	0	0	0	0	0	0	0	0
Office Sup. & Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Marketing/Advertising Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Travel & Entertainment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Auto / Truck Expense (Inc. Lease)	500	500	500	500	500	500	500	500	500	500	500	500
Gas (Auto)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Recruiting & Training Expense	0	0	0	0	0	0	0	0	0	0	0	0
Professional Services, Dues, Etc.	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Lease	650	650	650	650	650	650	650	650	650	650	650	650
Computer/Network/Phone	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500
Revolving Accts	250	250	250	250	250	250	250	250	250	250	250	250
Other												
TOTAL S G & A EXPENSES	\$42,506	\$42,506	\$46,106	\$46,106	\$46,106	\$46,106	\$47,806	\$47,806	\$47,806	\$49,506	\$49,506	\$49,506
EBITDA	\$26,944	\$82,282	(\$25,858)	(\$46,157)	\$11,428	\$16,960	\$20,791	\$25,322	\$31,854	\$35,685	\$41,216	\$46,747
Tax & Interest	3330.00	4437.00	3213.00	3545.10	3877.20	4208.30	4541.40	4873.50	5205.60	5537.70	5869.80	6201.90
Investment Repayment	0	0	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36
Other	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	\$23,614	\$77,845	(\$41,059)	(\$61,690)	(\$4,437)	\$762	\$4,281	\$9,460	\$14,560	\$18,159	\$23,358	\$28,557
Cumulative Net Income	\$23,614	\$101,459	\$60,399	(\$1,291)	(\$5,726)	(\$4,966)	(\$705)	\$6,755	\$23,415	\$41,573	\$64,931	\$93,489



# VerteX Communications Financial Projections

Summary P&L	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36
Revenue												
Pre-Paid CLEC Activations	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100
Pre-Paid Recurring	581,884	601,976	622,267	642,558	662,849	683,141	703,432	723,723	744,015	764,306	784,597	804,889
LD	135	135	135	135	135	135	135	135	135	135	135	135
ISP												
Agent Commission												
Total Revenue	\$607,918	\$628,211	\$648,502	\$668,793	\$689,084	\$709,376	\$729,667	\$749,958	\$770,250	\$790,541	\$810,832	\$831,124
COGS												
Pre-Paid CLEC Activations	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300
Pre-Paid Recurring	285,200	306,270	317,340	328,410	339,480	350,550	361,620	372,690	383,760	394,830	405,900	416,970
LD	79	79	79	79	79	79	79	79	79	79	79	79
ISP												
Agent Commission	111,180	114,870	118,560	122,250	125,940	129,630	133,320	137,010	140,700	144,390	148,080	151,770
Total COGS	439,758.75	454,518.75	469,278.75	484,038.75	498,798.75	513,558.75	528,318.75	543,078.75	557,838.75	572,598.75	587,358.75	602,118.75
Gross Profit	168,160.47	173,691.78	179,223.09	184,754.40	190,285.71	195,817.02	201,348.33	206,879.64	212,410.95	217,942.26	223,473.57	229,004.88
S&A												
Compensation - Personnel Sched.	41,604	41,604	41,754	41,825	41,825	41,825	41,967	41,967	41,967	42,108	42,108	42,108
Compensation - Bonus	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Taxes & Fringes	8,321	8,321	8,351	8,365	8,365	8,365	8,393	8,393	8,393	8,422	8,422	8,422
Office Rent (Including Utilities)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cellular & Paging	306	306	306	306	306	306	306	306	306	306	306	306
Legal Fees (Tariff, etc.)	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Maintenance & Repairs	0	0	0	0	0	0	0	0	0	0	0	0
Office Sup. & Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Marketing/Advertising Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Travel & Entertainment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Auto / Truck Expense (Inc. Lease)	500	500	500	500	500	500	500	500	500	500	500	500
Gas (Auto)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Recruiting & Training Expense	0	0	0	0	0	0	0	0	0	0	0	0
Professional Services, Dues, Etc.	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Lease	650	650	650	650	650	650	650	650	650	650	650	650
Computer/Network/Phone	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500
Revolving Accts	250	250	250	250	250	250	250	250	250	250	250	250
Other												
TOTAL S G & A EXPENSES	\$61,531	\$61,531	\$61,711	\$61,796	\$61,796	\$61,796	\$61,966	\$61,966	\$61,966	\$62,136	\$62,136	\$62,136
EBITDA	\$106,679	\$112,161	\$117,512	\$122,958	\$128,490	\$134,021	\$139,382	\$144,914	\$150,445	\$155,806	\$161,338	\$166,869
Tax & Interest	10519.20	10851.30	11183.40	11515.50	11847.60	12179.70	12511.80	12843.90	13176.00	13508.10	13840.20	14172.30
Investment Repayment	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36	11968.36
Other	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	\$84,122	\$85,321	\$94,340	\$99,455	\$104,654	\$109,853	\$114,882	\$120,081	\$125,281	\$130,310	\$135,521	\$140,720
Cumulative Net Income	\$853,730	\$943,051	\$1,037,391	\$1,136,846	\$1,241,500	\$1,351,353	\$1,466,235	\$1,586,316	\$1,711,597	\$1,841,907	\$1,965,427	\$2,094,147

# Vertex Communications Financial Projections

Summary P&L	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Revenue												
Pre-Paid CLEC Activations	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100	26,100
Pre-Paid Recurring	338,189	358,480	378,771	399,062	419,354	439,645	459,936	480,228	500,519	520,810	541,102	561,393
LD	135	135	135	135	135	135	135	135	135	135	135	135
ISP												
Total Revenue	\$384,424	\$384,715	\$405,006	\$425,297	\$445,589	\$465,980	\$486,171	\$506,463	\$526,754	\$547,045	\$567,337	\$587,628
COGS												
Pre-Paid CLEC Activations	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300
Pre-Paid Recurring	162,360	173,430	184,500	195,570	206,640	217,710	228,780	239,850	250,920	261,990	273,060	284,130
LD	79	79	79	79	79	79	79	79	79	79	79	79
ISP												
Agent Commission	66,900	70,590	74,280	77,970	81,660	85,350	89,040	92,730	96,420	100,110	103,800	107,490
Total COGS	262,638.75	277,398.75	292,158.75	306,918.75	321,678.75	336,438.75	351,198.75	365,958.75	380,718.75	395,478.75	410,238.75	424,998.75
Gross Profit	101,784.75	107,316.05	112,847.37	118,378.58	123,909.99	129,441.30	134,972.61	140,503.92	146,035.23	151,566.54	157,097.85	162,629.16
SG&A												
Compensation - Personnel Sched.	34,288	34,288	34,438	35,854	35,854	35,854	37,342	37,342	37,342	38,829	38,829	38,829
Compensation - Bonus	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Taxes & Fringes	6,858	6,858	6,888	7,171	7,171	7,171	7,468	7,468	7,468	7,765	7,765	7,765
Office Rent (Including Utilities)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cellular & Paging	306	306	306	306	306	306	306	306	306	306	306	306
Legal Fees (Tariff, etc.)	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Maintenance & Repairs	0	0	0	0	0	0	0	0	0	0	0	0
Office Sup. & Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Marketing/Advertising Exp.	500	500	500	500	500	500	500	500	500	500	500	500
Travel & Entertainment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Auto / Truck Expense (Inc. Lease)	500	500	500	500	500	500	500	500	500	500	500	500
Gas (Auto)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Recruiting & Training Expense	0	0	0	0	0	0	0	0	0	0	0	0
Professional Services, Dues, Etc.	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Lease	650	650	650	650	650	650	650	650	650	650	650	650
Computer/Network/Phone	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500
Revolving Accts	250	250	250	250	250	250	250	250	250	250	250	250
Other												
TOTAL SG & A EXPENSES	\$52,751	\$52,751	\$52,931	\$54,631	\$54,631	\$54,631	\$56,416	\$56,416	\$56,416	\$58,201	\$58,201	\$58,201
EBITDA	\$49,034	\$54,565	\$59,916	\$63,748	\$69,279	\$74,810	\$78,557	\$84,088	\$88,619	\$93,366	\$98,397	\$104,428
Tax & Interest	6534.00	6686.10	7198.20	7530.30	7862.40	8194.50	8526.60	8858.70	9190.80	9522.90	9855.00	10187.10
Investment Repayment	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36	11988.36
Other	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	\$30,511	\$35,711	\$40,730	\$44,729	\$49,428	\$54,027	\$58,042	\$63,241	\$68,440	\$71,854	\$77,053	\$82,253
Cumulative Net Income	\$124,000	\$155,711	\$200,440	\$244,669	\$294,088	\$348,725	\$408,767	\$470,008	\$538,448	\$610,302	\$687,355	\$769,608

**EXHIBIT "G"**

**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS**  
**PARTICIPATION PLAN**

## **SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN**

Pursuant to T.C.A. §65-5-212, as amended, Vertex Communications, Inc. ("Vertex") submits this small and minority-owned Telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to provide competing local exchange services in Tennessee.

### **I. PURPOSE**

The purpose of §65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to Telecommunications service providers. Vertex is committed to the goals of §65-5-212 and to taking steps to support the participation of small and minority-owned Telecommunications businesses in the Telecommunications industry. Vertex will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. Since Vertex plans to offer services in Tennessee primarily as a reseller or via a UNE-P interconnection agreement with BellSouth and does not plan to construct its own facilities, the company does not expect to enter into significant contracts for the purchase of other goods and services. However, to the extent Vertex engages in significant procurement activities in the future, the company will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to Vertex of such opportunities. Vertex representatives will contact the Department of Economic and Community Development, the administrator of the small and minority-owned Telecommunications assistance program, to obtain a list of qualified vendors. Moreover, Vertex will seek to increase awareness of any such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

### **II. DEFINITIONS**

As defined in §65-5-212.

**Minority-Owned Business.** Minority-owned business shall mean a business which is solely owned, or at least fifty one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than Four Million Dollars (\$4,000,000).

**Small Business.** Small Business shall mean a business with annual gross receipts of less than Four Million Dollars (\$4,000,000).

### III. ADMINISTRATION

Vertex's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting Vertex's full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Mark E. Camerire  
President & Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, South Carolina 29691  
Telephone: 864-331-2710, Ext. 103  
Facsimile: 864-331-2720  
E-mail Address: mark@vrtxcom.com

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with §65-5-212 and the rules and orders of the Tennessee Regulatory Authority.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.
- (5) Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
- (6) Providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.
- (7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.

- (8) Providing information and educational activities to persons with Vertex and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce  
The Tennessee Department of Economic and Community Development  
The United States Department of Commerce  
Small Business Administration  
Office of Minority Business  
The National Minority Supplier Development Counsel  
The National Association of Women Business Owners  
The National Association of Minority Contractors  
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above.


Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

#### **IV. RECORDS AND COMPLIANCE REPORTS**

Vertex will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, Vertex will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

Vertex will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, Vertex will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority.

By:

  
Brent Saxon

Vertex Communications, Inc.

Dated: August 28, 2003

**EXHIBIT "H"**

**TOLL DIALING PARITY PLAN**

### **INTRALATA TOLL DIALING PARITY PLAN**

Vertex Communications, Inc. plans to negotiate or adopt a resale and UNE-P interconnection agreement with BellSouth. Section 251(b)(3) of the Communications Act requires all local exchange carriers to provide dialing parity.

Any interconnection agreement with BellSouth would be fully compliant with this provision of law, and Vertex would provide dialing parity when it commences providing UNE-P services to customers. Dialing parity would be available in any BellSouth exchange where Vertex offers local or toll services. All customers will have the opportunity to choose a primary interexchange carrier through currently established procedures followed by the IXC's. Vertex customers will dial the same number of digits as BellSouth customers without any access codes for local and toll telephone calls and to access operator and directory assistance services.

Vertex will not engage in slamming either through its own employees or through independent contractors or agents.

Vertex will take no action that would result in discriminatory access to telephone numbers, operator services, directory assistance, and directory listings.

Vertex will comply with all the rules of the Federal Communications Commission and TRA.



**EXHIBIT "I"**

**NUMBERING ISSUES**

## **NUMBERING ISSUES**

Vertex Communications, Inc.'s current plan is to offer resold and/or UNE-P services in Tennessee pursuant to an interconnection agreement that will be adopted or negotiated with BellSouth. Vertex does not expect to make direct requests to NANPA for NXX codes. Vertex will initially offer services primarily through BellSouth exchanges in major metropolitan areas and NPAs like 901 (Memphis) and 615 (Nashville). Vertex will not sequentially assign telephone numbers. Vertex will conserve numbering resources by using numbers on an as needed basis as new lines are ordered by customers and processed through BellSouth as required by the interconnection agreement.

**EXHIBIT "J"**

**TENNESSEE SPECIFIC OPERATIONAL ISSUES**

### TENNESSEE SPECIFIC OPERATIONAL ISSUES

1. Vertex Communications, Inc. plans to offer resold and/or UNE-P local services (including prepaid local services) through an adopted or negotiated interconnection agreement with BellSouth. BellSouth's network is configured so as to comply with countywide calling regulations. Customer billing will likewise be in compliance.
2. Vertex's interconnection agreement with BellSouth will take into account BellSouth's County Wide Calling database. Prior to the approval of such agreement by TRA, Vertex's personnel will become familiar with database and procedures for entering numbers and complying with TRA countywide rules.
3. Vertex expects to serve local customers in BellSouth exchanges in major metro areas and is aware of aware of BellSouth's calling areas in these metro exchanges.
4. As a provider of resold and UNE-P services, Vertex will utilize BellSouth's database and procedures to insure that no customer is billed for toll charges within metro calling areas.
5. The contact person for working with TRA to resolve any complaints is:  
  
Mark E. Camerire  
President & Chief Operating Officer  
Vertex Communications, Inc.  
210 E. Main Street  
Walhalla, SC 29691  
Telephone No.: 864-331-2710, Ext. 103
6. Vertex has made no decision at this time on whether to engage in telemarketing in Tennessee. However, should the Company decide to engage in this form of marketing, it will familiarize itself and comply with TCA §65-4-401 et seq. and Chapter 1220-4-11.

**EXHIBIT "K"**

**PRE-FILED TESTIMONY**

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**  
**NASHVILLE, TENNESSEE**

**IN THE MATTER OF  
THE APPLICATION OF VERTEX  
COMMUNICATIONS, INC.**

**FOR A CERTIFICATE TO PROVIDE  
COMPETING LOCAL  
TELECOMMUNICATIONS  
SERVICES IN THE STATE OF TENNESSEE**

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) **Docket No.** \_\_\_\_\_  
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**PRE-FILED TESTIMONY OF MARK E. CAMERIRE**

I, Mark E. Camerire, do hereby testify as follows in support of the application of Vertex Communications, Inc. ("Vertex") for a Certificate of Convenience and Necessity as a competing telecommunications services provider to provide telecommunication services throughout the State of Tennessee.

**Q.** Please state your full name, business address, and position.

**A.** **Mark E. Camerire  
President & Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, South Carolina 29691**

**Q.** Please briefly describe your duties.

**A.** **Since May 2003, I have served as president and chief operating officer of Vertex Communications, Inc. My duties include the full range of responsibilities for the overall management and leadership of Vertex.**

**Q.** Please describe your business experience and educational background.

**A.** **Previously, I served as vice president of operations for OneTone Telecom of Seneca, South Carolina from March 2001 to April 2003. My previous management positions include:**

- **Senior Manager for Strategic Development, Axel Communications, Mobile, Alabama**
- **Operations Supervisor, US LEC, Tampa, Florida**
- **Operations Manager, Terralink Communications, Bosnia and Croatia; and**
- **Field Engineer, PSINet, Herndon, Virginia**
- **My educational background includes a Bachelor of Science in Business Management from the University of Phoenix in Phoenix, Arizona.**

Q. Are all statements in Vertex' application true and correct to the best of your knowledge, information and belief?

A. Yes.

Q. Please describe the current corporate structure of Vertex.

A. **Vertex Communications, Inc. was incorporated in South Carolina on May 21, 2003. Vertex has no corporate affiliates.**

Q. Does Vertex possess the requisite managerial, financial, and technical abilities to provide the services for which it has applied for authority?

A. Yes.

Q. Please describe Vertex' financial qualifications.

A. **Although Vertex is a start up company, it has established credit with CapitalBank in Greenwood, South Carolina and has the financial resources to achieve the three-year financial projections submitted as Exhibit "F" to our Application.**

Q. Please describe Vertex' managerial and technical qualifications.

A. **As shown by the resumes of Vertex's senior management team in Exhibit "E" to the Vertex application, the company has a highly experienced technical and managerial team in place. This includes senior level experience in CLEC operations, information technology, financial management, engineering, billing systems, advertising and sales, customer service, and general management functions.**

Q. What services will Vertex offer?

A. **Vertex seeks authority to provide the full range of local telecommunications services that may be lawfully offered pursuant to a telecommunications provider certificate in Tennessee. Initially, however, Vertex's plans are to negotiate or adopt a resale and UNE-P interconnection agreement with BellSouth and to provide services through this platform. Vertex intends to emphasize its prepaid local service offerings. Vertex have no plans to construct telecommunications facilities at this time.**

Q. Will Vertex offer service to all customers within its service area?

A. **To the extent technically and economically feasible, Vertex will offer service to all consumers within the service area subject to its UNE-P agreement with BellSouth. However, Vertex expects its initial markets to be the major metropolitan areas.**

Q. Does Vertex plan to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?

A. **Not at this time; however, Vertex would like to reserve the right to offer services in any area where it may lawfully operate.**

Q. Will the granting of a certificate of convenience and necessity to Vertex serve the public interest?

A. **Yes. The granting of a telecommunications certificate to Vertex will bring increased competition to Tennessee, which will help insure that Tennessee consumers have access to state-of-the-art telecommunications services at reasonable prices. Many citizens will benefit from our prepaid local service plans who would otherwise be unable to afford or qualify for traditional local services.**

Q. Does Vertex intend to comply with all TRA rules, statutes, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service?

A. **Yes.**

Q. Has any state ever denied Vertex or one of its affiliates authorization to provide intrastate service?

A. **No.**



Q. Has any state ever revoked the certification of Vertex or one of its affiliates?

A. No.

Q. Has Vertex or one of its affiliates ever been investigated or sanctioned by any regulatory authority for service or billing irregularities?

A. No.

Q. Who is knowledgeable about Vertex' operations and will serve as Vertex's regulatory and customer service contact?

A. **Mark E. Camerire**  
**President & Chief Operating Officer**  
**Vertex Communications, Inc.**  
**210 East Main Street**  
**Walhalla, SC 29691**  
**Telephone: 864-331-2710, Ext. 103**  
**Facsimile: 864-331-2720**  
**E-mail Address: mark@vrtxcom.com**

Q. Please explain in detail Vertex' proposed procedures for responding to information requests from the TRA and its staff.


A. **Vertex will respond promptly to TRA requests and inquiries that are submitted to Mark E. Camerire. In the alternative, for inquiries of a legal nature, the TRA may contact Vertex' regulatory counsel:**

**Walt Saprnov**  
**Gerry & Saprnov LLP**  
**Three Ravinia Drive, Suite 1455**  
**Atlanta, Georgia 30346**  
**Telephone: 770-399-9100**  
**Facsimile: 770-395-0505**  
**Email: wsaprnov@gstelecomlaw.com**

Q. Does this conclude your testimony?

A. Yes.

I, the undersigned, being a duly authorized representative for Vertex Communications, Inc., swear that the foregoing testimony is true and correct to the best of my knowledge.

  
Mark E. Camerire  
President and Chief Operating  
Officer  
Vertex Communications, Inc.

State of South Carolina

County of Oconee

Subscribed and sworn to me this 25 day of August, 2003.

Phil Bullock  
Notary Public

My commission expires 3/18/08

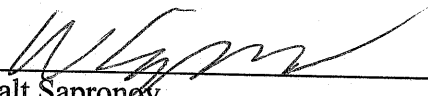
**EXHIBIT "L"**

**SERVICE LIST**

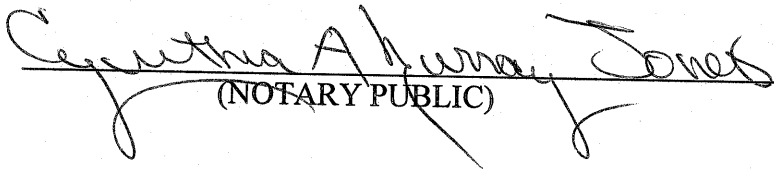
**CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the foregoing Application for Certificate to Provide Competing Local Telecommunications Services of Vertex Communications, Inc. upon the attached list of incumbent local exchange companies operating in the State of Tennessee record by depositing the same in the United States Mail with adequate postage affixed thereto and properly addressed as shown on the service list attached hereto.

Dated this 26<sup>th</sup> day of August, 2003.

  
\_\_\_\_\_  
Walt Saprnov  
Gerry & Saprnov LLP  
Attorney for Vertex Communications, Inc.

SUBSCRIBED AND SWORN BEFORE ME THIS 26<sup>th</sup>  
DAY OF AUGUST, 2003.

  
\_\_\_\_\_  
(NOTARY PUBLIC)

(SEAL)

**Notary Public, Fulton County, Georgia**  
**My Commission Expires August 12, 2005**

**Incumbent Local Exchange Service Providers Certificated In Tennessee  
(Facilities-based)**

Ardmore Telephone Company, Inc.  
PO Box 549  
517 Ardmore Avenue  
Ardmore, TN 38449

BellSouth Telecommunications  
333 Commerce Street  
Nashville, TN 37201-3300

Century Telephone of Adamsville  
PO Box 405  
116 North Oak Street  
Adamsville, TN 38310

Century Telephone of Claiborne  
PO Box 100  
507 Main Street  
New Tazewell, TN 37825

Century Telephone of Ooltewah-  
Collegedale, Inc.  
PO Box 782  
5616 Main Street  
Ooltewah, TN 37363

Citizens Communications Company of  
Tennessee  
PO Box 770  
300 Bland Street  
Bluefield, WV 24701

Citizens Communications Company Of  
The Volunteer State  
PO Box 770  
300 Bland Street  
Bluefield, WV 24701

Loretto Telephone Company, Inc.  
PO Box 130  
Loretto, TN 38469

Millington Telephone Company, Inc.  
4880 Navy Road  
Millington, TN 38053

Sprint-United  
112 Sixth Street  
Bristol, TN 37620

TDS Telecom-Concord Telephone  
Exchange, Inc.  
PO Box 22610  
701 Concord Road  
Knoxville, TN 37933-0610

TDS Telecom-Humphreys County  
Telephone Company  
PO Box 552  
203 Long Street  
New Johnsonville, TN 37134-0552

TDS Telecom-Tellico Telephone  
Company, Inc.  
PO Box 9  
102 Spence Street  
Tellico Plains, TN 37385-0009

TDS Telecom-Tennessee Telephone  
Company  
PO Box 18139  
Knoxville, TN 37928-2139

TEC-Crockett Telephone Company, Inc.  
PO Box 7  
Friendship, TN 38034

TEC-People's Telephone Company, Inc.  
PO Box 310  
Erin, TN 37061

TEC-West Tennessee Telephone  
Company, Inc.  
PO Box 10  
244 E. Main Street  
Bradford, TN 38316

United Telephone Company  
PO Box 38  
120 Taylor Street  
Chapel Hill, TN 37034

Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
Original Page 1

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**TELECOMMUNICATIONS SERVICES**

Applying to Intrastate Local Exchange  
Common Carrier Communications  
Services Between Points in the  
State of Tennessee

This tariff is on file with the Tennessee Regulatory Authority and copies may be inspected during normal business hours at Vertex Communications, Inc., 210 East Main Street, Walhalla, South Carolina, 29691.

---

Issued:

Effective:

By: Mr. Mark Camerire  
President and Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, South Carolina 29691

Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
Original Page 2

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ALL MATERIALS IN THIS TARIFF ARE NEW

CHECK LIST

Tariff sheets are effective as of the date shown. Revised sheets as named below contain all changes from the original tariff that are in effect on the date thereof.

<u>PAGE</u>	<u>REVISION NO.</u>	<u>PAGE</u>	<u>REVISION NO.</u>
1	Original	27	Original
2	Original	28	Original
3	Original	29	Original
4	Original	30	Original
5	Original	31	Original
6	Original	32	Original
7	Original	33	Original
8	Original	34	Original
9	Original	35	Original
10	Original	36	Original
11	Original	37	Original
12	Original	38	Original
13	Original	39	Original
14	Original		
15	Original		
16	Original		
17	Original		
18	Original		
19	Original		
20	Original		

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210 East Main Street  
Walhalla, South Carolina 29691



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SYMBOLS

Whenever tariff sheets are revised, changes will be identified by the following symbols:

- (C) To signify changed regulation.
- (D) To signify deleted or discontinued rate, regulation or condition.
- (I) To signify a change resulting in an increase to a customer's bill.
- (M) To signify material moved from or to another part of tariff with no change in text, rate, rule or condition.
- (N) To signify new rate, regulation, condition or sheet.
- (R) To signify a change resulting in a reduction to a customer's bill.
- (T) To signify change in text but no change in rate, rule or condition.
- (Y) To signify a reference to other published tariffs.
- (Z) To signify a correction.

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Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
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TARIFF FORMAT SHEET

- A. Page Numbering. Page numbers appear in the upper-right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added, the page appears as a decimal. For example, a new page added between pages 34 and 35 would be 34.1.
- B. Page Revision Numbers. Revision numbers also appear in the upper-right corner of the page. These numbers are used to determine the most current page version on file with the Tennessee Regulatory Authority. For example, the 4th revised Page 34 cancels the third revised Page 34. Because of deferrals, notice periods, etc., the most current page number on file with the Commission is not always the tariff page in effect. User should consult the check page for the page currently in effect.
- C. Paragraph Numbering Sequence. There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 2.
  - 2.1.
  - 2.1.1.
  - 2.1.1.A.
  - 2.1.1.A.1.
  - 2.1.1.A.1.(a)
  - 2.1.1.A.1.(a).I
  - 2.1.1.A.1.(a).I.(i)
  - 2.1.1.A.1.(a).I.(i)(1)
- D. Check List of Effective Pages. When a tariff filing is made with the Commission, an updated Check List of Effective Pages ("Check List") accompanies the tariff filing. The Check List lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the Check List is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on the Check List if these are the only changes made to it (i.e., the format, etc.). The User should refer to the latest Check List to find out if a particular page is the most current page on file with the Commission.

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Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
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INTRODUCTION

This tariff ("Tariff") contains the regulations and rates applicable to the furnishing of intrastate, common carrier, local exchange telecommunications services by Vertex Communications, Inc. (hereinafter referred to as the "Company") between various locations in the State of Tennessee.

The regulations governing the provision and use of services offered under this Tariff are set forth in Section 2. Service descriptions and rates are set forth in Sections 3 and 4, respectively.

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Effective:

By: Mr. Mark Camerire  
President and Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, South Carolina 29691

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1. TECHNICAL TERMS AND ABBREVIATIONS

Certain terms used throughout this Tariff are defined below.

Authorization Code

"Authorization Code" means a numerical code, one or more of which are assigned to a Customer to enable it to access the Services provided by the Company and to identify the Customer for billing purposes.

Carrier

"Carrier" means a Local Exchange Carrier or other communications common carrier authorized by the Commission or the FCC to provide communications service to the public.

Commission

"Commission" means the Tennessee Regulatory Authority.

Credit(s)

"Credit(s)" has the meaning set forth in Section 2.26 hereof.

Credit Allowances

"Credit Allowances" has the meaning set forth in Section 2.26 hereof.

Credit Limit

"Credit Limit" means a credit limit placed on Customer's monthly consumption of Services pursuant to Section 2.18.

Customer

"Customer" means the person, firm, company, corporation, or other entity who, pursuant to a Service Order, orders Service(s) under this Tariff.

FCC

"FCC" means the Federal Communications Commission.

Governmental Authority

"Governmental Authority" means any judicial, administrative, or other federal, state or municipal governmental authority (including without limitation the Commission and the FCC) having jurisdiction over the Company or the provision of Services hereunder.

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## Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
Original Page 8

### 1. TECHNICAL TERMS AND ABBREVIATIONS (cont.)

#### Holidays

"Holidays" means all Company-specified holidays: New Year's Day (January 1), Independence Day (July 4), Labor Day, Thanksgiving Day and Christmas Day (December 25).

#### Individual Case Basis ("ICB")

"Individual Case Basis" or "ICB" has the meaning set forth in Section 2.36 hereof.

#### Interruption

"Interruption" means the disruption of, or removal of a circuit from, Service such that the Service becomes unusable by User for a continuous period of thirty (30) minutes or more.

#### InterLATA Service

"InterLATA Service" means communications between a point located in a local access and transport area ("LATA") and a point located outside such area.

#### Local Exchange Carrier ("LEC")

"Local Exchange Carrier" or "LEC" means any person that is engaged in the provision of local exchange service or exchange access service. However, such term does not include any person insofar as such person is engaged in the provision of commercial mobile radio service.

#### Local Access and Transport Area ("LATA")

"Local Access and Transport Area" or "LATA" means a geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192, within which a LEC provides communications service.

#### Minimum Service Period ("MSP")

"Minimum Service Period" or "MSP" means the minimum period of time during which Customer takes Services under this Tariff.

#### Other Providers

"Other Providers" means any Carriers or other service providers whose services or facilities are connected to, or used by, the Company in providing the Services.

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## Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
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### 1. TECHNICAL TERMS AND ABBREVIATIONS (cont.)

#### Performance Failure

"Performance Failure" means any disruption, degradation, or failure of Service, including without limitation any Interruption (but excluding Scheduled Interruptions), any installation failure or delay, or any mistake, delay, omission, error or other defect in the Service or in the provision thereof.

#### Regulation(s)

"Regulation(s)" means any and all law(s), rule(s), regulation(s) (including without limitation those set forth in this Tariff), order(s), policy or policies, ruling(s), judgment(s), decree(s) or other determination(s) which are made by the Commission or any other Governmental Authority or which arise under any federal, state, or local statute, utility code, or ordinance, and which are applicable to the Services or to any provision of this Tariff.

#### Resale Tariff(s)

"Resale Tariff(s)" means the tariff(s) of one or more Other Providers.

#### Scheduled Interruption

"Scheduled Interruption" means an Interruption which has been scheduled by the Company in advance for maintenance, testing, or other administrative purposes.

#### Service(s)

"Service(s)" means the Company's regulated, communications common carrier service(s) provided under this Tariff.

#### Service Commencement Date

"Service Commencement Date" means either (i) the first day following the date on which the Company notifies the Customer that the requested Service is available for use; (ii) in the event Customer lawfully refuses to accept such Service, the date of Customer's acceptance of such Service; or (iii) another, mutually agreed upon date.

#### Service Order

"Service Order" means (i) a contract between the Company and Customer; or (ii) a Company designated form used from time to time by Customer for purposes of ordering Services hereunder.

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## Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
Original Page 10

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### 1. TECHNICAL TERMS AND ABBREVIATIONS (cont.)

#### TDD

"TDD" means a Telecommunications Device for the Deaf.

#### Termination or Terminate

"Termination" or "Terminate" means discontinuance of (to discontinue) Services, either at Customer's request, or by the Company in accordance with Regulations.

#### Third Party Billing Companies

"Third Party Billing Companies" means, collectively, any clearinghouses, LECs, Other Providers, credit card companies or other third parties who bill Customers for Services on the Company's behalf.

#### User

"User" means a person, firm, company, corporation, or other entity who is authorized by the Customer to use Service under this Tariff.

---

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## Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
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### 2. RULES AND REGULATIONS

The Company is a provider of regulated, intrastate, local exchange services. The Services described in Section 3 of this Tariff are provided to Customers by the Company pursuant to one or more applicable interconnection or resale agreements with LECs, pursuant to 47 U.S.C. 252(e) and related Commission rules, filed with, and approved by, the Commission.

#### 2.1 Undertaking of the Company

- 2.1.1 Obligation to Provide Service. The Company shall exercise reasonable efforts to provide Services to Users pursuant to the terms and conditions of this Tariff. The Company shall exercise reasonable efforts to make such Services available for Users use on either the installation date set forth in a Service Order (or, if no date is specified) as soon as practicable after execution of a Service Order, subject to Customer's compliance with Regulations. In addition to the Service Order, Customer shall also execute such other documents as the Company may reasonably require. In the event of a conflict or inconsistency between (i) the terms of a Service Order (or of any other document executed by the Customer); and (ii) those of this Tariff, the latter shall govern.
- 2.1.2 Conditions to Company's Obligations. The obligations of the Company to provide Services are subject to the following: (i) availability, procurement, construction; and maintenance of facilities required to meet the Service Order; (ii) the provision of Services to the Company by an Other Provider; (iii) interconnection to Other Providers services or facilities as required; and (iv) any applicable Credit Limit.
- 2.1.3 Right to Discontinue or Block Services. The Company reserves the right (i) to discontinue or temporarily suspend Services to or from a location where the necessary facilities or equipment are not available under terms and conditions reasonably acceptable to the Company; or (ii) to block Services to any User location or any Authorization Code, without any liability whatsoever, in the event that the Company detects or reasonably suspects either (a) fraudulent or unlawful use of the Services at or by means of said location or Authorization Code, or (b) consumption of Services in excess of the Credit Limit (if any).

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## Local Exchange Services

Vertex Communications, Inc.

Tennessee Regulatory Authority Tariff No. 1  
Original Page 12

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### 2. RULES AND REGULATIONS (cont.)

#### 2.2 Responsibility and Use

2.2.1 Services may be used by Customer or User for any lawful purpose, twenty-four (24) hours per day, seven (7) days per week, subject to the terms and conditions set forth herein and in any applicable Service Order. Customer is solely responsible for (i) prevention of unauthorized, unlawful or fraudulent, use of or access to Services, which use or access is expressly prohibited; and (ii) administration and non-disclosure of any Authorization Codes provided by Company to Customer.

2.2.2 The Customer has no property right in the telephone number or any other call number designation associated with the Company's Services. The Company may change such numbers, or the central office code designation associated with such numbers, or both, assigned to the Customer, whenever the Company, in its sole discretion, deems it necessary to do so in the conduct of its business.

#### 2.3 Transmission

The Services are suitable for the transmission of voice, data, or other communications only to the limited extent set forth herein.

#### 2.4 Call Blocking

Notwithstanding any other provision of this Tariff, the Company may block calls which are (i) made to certain countries, cities, or central office ("NXX") exchanges; or (ii) use certain Authorization Codes, as the Company, in its sole discretion, deems reasonably necessary to prevent unlawful or fraudulent use of Services.

#### 2.5 Interconnection

2.5.1 Services or facilities furnished by the Company may be connected with services or facilities of Other Providers subject to any technical limitations set forth in said Other Providers tariffs (if any); provided, however, Service furnished by the Company is not part of a joint undertaking with any Other Provider.

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2. RULES AND REGULATIONS (cont.)

2.5 Interconnection (cont.)

- 2.5.2 Interconnection with the facilities or services of Other Providers is subject to (i) the availability of said Other Providers facilities; and (ii) the applicable terms and conditions of the Other Providers tariffs (if any). Customer shall be solely responsible for satisfying all legal requirements for interconnecting Customer-provided terminal equipment or communications systems with Other Providers facilities, including, without limitation, application for all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. Satisfaction of all legal requirements, any interface equipment or any other facilities necessary to interconnect the facilities of the Company and Other Providers must be provided at the Customer's sole expense.

2.6 Equipment

- 2.6.1 The Company's facilities or Services may be used with or terminated to Customer Premises Equipment ("CPE"), such as a private branch exchange, key system or pay telephone. CPE is solely the responsibility of the Customer and the Company has no responsibility whatsoever for the installation, operation, and maintenance of such CPE. The Customer is solely responsible for all costs of installing, maintaining or repairing CPE, including without limitation personnel charges, wiring costs, and costs associated with routing of electrical power, incurred in the attachment to and use of the Company's facilities or Services.
- 2.6.2 The Customer is responsible for ensuring that all attached CPE conforms to the Federal Communications Commission's registration requirements set forth in Part 68 of the Code of Federal Regulations (as amended), and the Company may discontinue the provision of Services to any location where CPE fails to conform to such Regulations.
- 2.6.3 The Customer will be responsible for payment of service charges at the Company's standard, hourly rates in effect from time to time for visits by any Other Provider's personnel to the Customer's premises in response to any Service difficulty or trouble report determined to be caused, in whole or in part, by the use of any CPE, Services, facilities, or other equipment which is not provided by the Company.

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2. RULES AND REGULATIONS (cont.)

2.7 Title

Title to any and all equipment or facilities provided by Company under this Tariff will remain in the Company.

2.8 Customer Premises

Customer shall provide, without cost to Company, all equipment, space, conduit, and electric power required to terminate the Services at the User's premises. The Customer shall arrange for the Company, or other Carriers as required, to have access to the User's premises at all reasonable times for purposes of Service installation, Termination, inspection and repair. Customer shall be solely responsible for any damage to or loss of Company equipment while on the premises of User, unless such damage is caused by the negligence or willful misconduct of the Company, its employees, subcontractors or agents.

2.9 Non-Routine Maintenance and Installation

At the Customer's request, the Company may perform installation or maintenance on weekends or times other than during normal business hours; provided, however, Customer may be assessed reasonable, additional charges based on the Company's actually incurred labor, material or other costs for such non-routine installation or maintenance.

2.10 Interruption

The Company, without incurring any liability whatsoever, may make Scheduled Interruptions at any time (i) to ensure compliance by the Customer or User with Regulations (including without limitation the provisions of this Tariff); (ii) to ensure proper installation and operation of the Customer's and the Company's equipment and facilities; (iii) to prevent fraudulent use of or access to the Services; or (iv) to perform any other maintenance, testing or inspection reasonably required for the provision of Services hereunder.

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2. RULES AND REGULATIONS (cont.)

2.11 Service Commencement and Acceptance

Billing for Services will commence as of the Service Commencement Date. The Company shall notify the Customer when Services ordered from a Service Order are ready for use. Customer may refuse to accept such Services only if such Services fail to substantially comply with the specifications (if any) therefor set forth in the Service Order or in this Tariff.

2.12 Minimum Service Period

The Minimum Service Period ("MSP") will be for the term specified in the applicable Service Order, which term must be no less than thirty (30) days. Except as otherwise provided in the Service Order, (i) this MSP will automatically renew for subsequent terms of equal duration; and (ii) either the Company or the Customer may elect not to renew any MSP by written notice to the other no later than thirty (30) days prior to the expiration date of said MSP.

2.13 Service Order Cancellation

Except as otherwise set forth herein, Customers who cancel a Service Order prior to Service installation (including without limitation cancellation of special construction or Services provided on an individual case basis) will incur a Charge equal to the greater of (i) the non-recurring Charges for the MSP; or (ii) the Company's reasonably incurred, actual expenses associated with such cancellation.

2.14 Billing and Payments

2.14.1 Except as otherwise limited by Regulation, Customer shall be responsible for payment of all charges, whether authorized or not, for any and all use of or access to Services provided to Users, including without limitation any unauthorized, unlawful or fraudulent use or access.

2.14.2 Except as otherwise provided in this Tariff or by Regulation, all amounts stated on each monthly invoice are due and payable immediately upon Customer's receipt thereof.

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2. RULES AND REGULATIONS (cont.)

2.14 Billing and Payments (cont.)

- 2.14.3 Except as otherwise provided in this Tariff, charges for Services will be billed to Customer on a monthly (30 day) basis, in arrears, based on the Users actual usage, or under such other terms as may be agreed to by the Company and the Customer in writing.
- 2.14.4 Charges for Prepaid Residential and Business Telecommunications Services will be billed via invoice to the Customer on a thirty (30 day) basis, in advance. Subject to applicable Regulation, Customer's Service will be subject to discontinuance or disconnection if the amount stated on the invoice is not paid in full by the first day of the next thirty (30) day cycle following the aforesaid mailing. All calculations of dates set forth in this Section shall be based upon calendar days and if a billing date falls on a Sunday or on a Holiday, the Customer may make payment in full on the next regular business day.
- 2.14.5 Except as otherwise provided in this Tariff or by Regulation, the Company, at its sole option, may Terminate Services in the event Customer fails to pay any invoice within thirty (30) calendar days after the due date stated thereon, subject to five (5) business days' prior written notice and to any other applicable Commission Regulations; provided, however, Customer, at any time prior to the proposed date of Termination, may cure its failure to pay past due invoices by agreeing in writing to pay future invoices when due and to pay the unpaid balance in equal installments over the three (3) consecutive billing months immediately following said notice; provided further, however, Customer's failure to make such agreed upon installments when due will result in immediate Termination without further notice. Termination of Services by the Customer or the Company for any reason whatsoever will not relieve Customer of its payment obligations hereunder for all Service charges incurred by Customer through the date of Termination. Customer will be liable for all costs of collection hereunder, including without limitation reasonable attorney's fees. Any invoice for Services not disputed in writing by Customer within ten (10) days after receipt thereof is to be deemed conclusively correct and binding upon the Customer; provided, however, Customer will have the right to obtain Commission investigation of any disputed invoice before Service is disconnected in accordance with Regulation.

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2. RULES AND REGULATIONS (cont.)

2.14 Billing and Payments (cont.)

2.14.6 With prior credit approval by the Company, Customers may be permitted to remit payment for Services by check or by credit card. Payment for Prepaid Residential and Business Services shall be by money order, or by cash at approved Company designated Payment Centers.

2.14.7 Payments for Prepaid Residential and Business Services are considered received by the Company upon either the Company's or a Payment Center's receipt of Customer's money order or cash payment (or check or credit card payment, if approved), in the amount of the total charges due to the Company.

2.15 Late Payment Charge

Invoices more than thirty (30) days past due will incur a monthly finance charge of ten dollars (\$10.00) plus one and one-half percent (1.5%) of the unpaid balance, or the maximum rate permitted by applicable Regulation.

2.16 Deposits

Customers or applicants for Services whose financial condition is not acceptable to the Company, as determined in its sole opinion and discretion, may be required to provide the Company, either before or after the commencement of Service, with a security deposit, in cash or cash-equivalents, in an amount not to exceed two (2) months of estimated Service usage, and/or to provide the Company with such other assurances of, or security for, the payment of charges for Services as the Company may deem necessary in its sole judgement and discretion. Any such cash deposit will bear simple interest at a rate of six percent (6%) per annum or at such other rate as may be determined by a competent Regulatory Authority. The Company may apply such deposit at any time to any past due balances owed to it by Customer hereunder, provided however, the Company shall return the remainder to Customer, at its last known address, within one (1) month following the date of Termination. The Company may, at its sole option and discretion, accept personal guarantees, bank letters of credit or surety bonds in lieu of a cash deposit. All provisions of this Section 2.16 shall be subject to applicable Regulations.

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### 2. RULES AND REGULATIONS (cont.)

#### 2.17 Advance Payments

2.17.1 Recurring Advance Payments. In addition to advance payments for Prepaid Residential and Business Services, the Company may, at its sole option and discretion, require that any Customer having a history of late payments for other Services or whose credit history either is unsatisfactory (in the Company's sole opinion) or is not established to the Company's reasonable satisfaction to make advance payments from time to time for future consumption of Services. The amount of each such advance payment will not exceed the highest amount allowed by law. The Company may, at its sole option and discretion, accept personal guarantees, bank letters of credit or surety bonds in lieu of an advance payment. Advance payments will be applied to charges for Services in the same manner as other payments. A Customer may be required to continue to make advance payments in accordance with this Section until such time as its credit worthiness is established to the Company's reasonable satisfaction.

2.17.2 Nonrecurring Advance Payments. The Company may require any Customer to make an advance payment of non-recurring charges (e.g., special construction charges) prior to consumption of services.

#### 2.18 Credit Limit

The Company may, at any time and at its sole discretion, set a Credit Limit (stated in dollars or minutes of use) for any Customer's or Users' consumption of Services for any monthly period.

#### 2.19 Taxes

The Customer is responsible for payment of any and all state taxes or surcharges, including without limitation franchise fees, excise taxes, sales taxes, or municipal utilities taxes and other fees and charges described in Section 4.5. All such taxes and surcharges will be billed by the Company as separate line items on Customer's invoice and are not included in any rates set forth in this Tariff.

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2. RULES AND REGULATIONS (cont.)

2.20 Discontinuation

2.20.1 By Company. Notwithstanding any other provision of this Tariff, the Company may at its sole option and discretion Terminate Service without incurring any liability therefor whatsoever, subject to (i) no less than five (5) business days prior written notice or such other notice period required by Regulation; and (ii) any applicable Regulations, for any of the following reasons:

2.20.1.A by order of a Governmental Authority;

2.20.1.B in the event of any unlawful, unauthorized or fraudulent use of or access to the Services, including without limitation violation of the provisions of this Tariff, a Service Order, or of any other Regulations, by the Customer, by any User, or by any other person;

2.20.1.C Customer's use of Services in excess of its Credit Limit (if any) or its failure to timely make any payment, including any advance payment (if so required) for Services provided hereunder; or

2.20.1.D Customer's provision of false or misleading information in its Service Order or in any other document delivered by Customer to the Company.

2.20.2 By Customer. Except as otherwise stated in an agreement between the Company and the Customer or as otherwise provided in this Tariff, the Customer may Terminate Service upon thirty (30) days prior written notice to the Company, provided however, that Customer, except as otherwise stated in an agreement between the Company and the Customer or as otherwise provided in this Tariff upon Termination of Services prior to the end of the MSP for any reason whatsoever, will be charged the full amount for all nonrecurring Charges applicable to the remainder of said MSP.

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2. RULES AND REGULATIONS (cont.)

2.21 Restoration of Services

The Company shall restore any Terminated Service in accordance with Commission Regulation, including but not limited to charging the Customer a reconnection fee as set forth in Section 4.2.

2.22 Limitation of Liability

2.22.1 Except as caused by its willful misconduct or negligence, the Company's liability with respect to any action, claim, judgment, damages, demand, liability or expense (including without limitation reasonable attorney's fees) (i) brought or incurred by Customer, by any User, or by any other party in connection with the installation, provision, preemption, termination, maintenance, repair or restoration of Service (including without limitation 911 Service and Directory Listing Service); or (ii) arising from any Performance Failure, will in no event exceed an amount equal to the Service charges incurred by Customer for the month during which the Service was affected. Such amount will be in addition to any amounts that may otherwise be due Customer as Credits or Credit Allowances pursuant to the provisions of Section 2.26 hereof.

2.22.2 To the extent permitted by any applicable Regulation, the Company's liability for negligence will also be limited to the amounts described in Section 2.22.1 hereof.

2.22.3 To the extent permitted by any applicable Regulation, the Company's liability for gross negligence will also be limited to the amounts described in Section 2.22.1 hereof.

2.22.4 In no event will the Company be liable for loss of profits (even if the Company has been advised of the possibility of such loss) or for any indirect, incidental, special, consequential, exemplary or punitive damages whatsoever arising, directly or indirectly, from or in connection with the provision of Services (including 911 Service and Directory Listing Service) hereunder.

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2. RULES AND REGULATIONS (cont.)

2.22 Limitation of Liability (cont.)

2.22.5 Except as caused by its willful misconduct or negligence, the Company will not be liable for defacement of or damages to Users' premises or for any personal injury or death arising, directly or indirectly, from the furnishing of Services (including 911 Service and Directory Listing Service), including without limitation the installation or removal of any facilities, equipment or wiring associated therewith. Customer is solely responsible for connecting any and all apparatus, equipment and associated wiring on Users' premises to the Services, and no other Carrier or third party engaged in such activity is to be deemed to be an agent or employee of the Company.

2.22.6 Any action or claim against the Company arising from any of its alleged acts or omissions in connection with this Tariff will be deemed waived if not brought or made in writing within sixty (60) days from the date that the alleged act or omission occurred.

2.23 Disclaimer

The Company will have no liability whatsoever to Customer, its employees, agents, subcontractors, or assignees, or to any other person for (i) damages arising out of any Other Providers' Performance Failure; (ii) any act or omission of any third party furnishing equipment, facilities or service to any User in connection with this Tariff or with the Services; or (iii) any other act or omission of any Other Provider, User or third party related to the use or provision of Services hereunder.

**THE COMPANY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR OR IN CONNECTION WITH THE USE OR PROVISION OF SERVICES PROVIDED HEREUNDER.**

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2. RULES AND REGULATIONS (cont.)

2.24 Indemnification

The Customer shall defend, indemnify, and hold the Company harmless from and against any and all actions, claims, judgments, damages, demands, liabilities, and expenses, including without limitation reasonable attorney's fees, ("Claims") resulting from injury to or death of any person (including injury to or death of their employees) or from the loss of or damage to tangible real or tangible personal property or to the environment, to the extent that such injury, death, loss or damage was proximately caused by any negligent act or omission or the willful misconduct on the part of the Customer, its agents, employees, subcontractors or assignees, in connection with use of the Services. The Customer shall defend the Company against any such Claims. The Company must notify the Customer promptly of written claims or demands for which the Customer is responsible hereunder. The Company and the Customer, shall cooperate with one another (at their own expense) in the course of such indemnification, and the Customer shall control such defense and the right to litigate, settle, appeal (provided it pays the cost of any required appeal bond), compromise or otherwise deal with any such Claim or resulting judgment, provided that such settlement, compromise or other resolution of said claim does not result in any liability to the Company. The Company will have the right to assume its own defense and settlement of any Claim upon notice to Customer, whereupon Customer will be relieved of its indemnification obligations with respect to that Claim (but not with regard to any other Claim).

2.25 Further Indemnification by Customer

Customer shall defend, indemnify and hold the Indemnitees harmless from any and all actions, claims, judgments, damages, demand, liabilities, and expenses, including without limitation reasonable attorney's fees, arising from or in connection with:

2.25.1 libel or slander resulting from Customer's or any User's use of the Services;

2.25.2 infringement of any patent, copyright, trademark, trade name or trade secret or intellectual property right of any third party arising from: (i) the transmission of any material transmitted (a) by any Customer or User or (b) by any other person using the Services provided to any Customer or User or Customer or User location; or (ii) from the combination of Customer's or any User's use of Services with CPE or with other Customer or User provided facilities or services;

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2. RULES AND REGULATIONS (cont.)

2.25 Further Indemnification by Customer (cont.)

2.25.3 the transmission of any indecent, obscene, or otherwise unlawful content by the Customer or any User of the Services; or

2.25.4 except as otherwise provided by applicable Regulation, any unauthorized, unlawful, or fraudulent use of or access to the Services provided to Customer or any User.

2.26 Credits and Credit Allowances

2.26.1 Credits ("Credit(s)") to the Customer's fixed charges, if any, for Interruptions (other than Scheduled Interruptions or Interruptions caused by Other Providers for which a Credit Allowance is due the Company as described in Section 2.26.2 hereof) which (i) exceed in the aggregate twenty-four (24) hours per month; (ii) are directly caused by the Company; and (iii) are not due to the negligence or willful misconduct of the User, its employees, subcontractors, agents, or assignees, will be applied to Customer's account with the Company. Such Credits are to be calculated by multiplying the monthly recurring rate (if any) for the affected Service by the ratio that the number of hours the Interruption bears to 720 hours. (For the purpose of this computation, each month is deemed to have 720 hours.) An Interruption is measured from the time the Company detects, or the Customer notifies the Company of, its occurrence until such time as the Interruption is cured. Each Interruption is to be considered separately for the purposes of this calculation and is be rounded to the nearest hour.

2.26.2 In the event of an Interruption caused by a LEC or Other Providers for which a credit or allowance ("Credit Allowance") becomes due to the Company, the Company shall apply such Credit Allowance to Customer's account, less an administration fee of twenty dollars (\$20.00), subject to the Company's collection of such Credit Allowance from the Other Provider obligated to provide same. In no event will the Company be obligated to credit Customer any amounts in excess of any Credit Allowance allocable to Customer's Interruption(s) which the Company receives from the Other Provider. Any other provision of this Section 2.26 notwithstanding, Company will have no obligation to apply any credit to

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### 2. RULES AND REGULATIONS (cont.)

#### 2.26 Credits and Credit Allowances (cont.)

Customer's account for Interruptions caused by an Other Provider for which no Credit Allowance is due to the Company.

2.26.3 Except as otherwise set forth herein, Customer's sole and exclusive remedy for any and all Performance Failures which consist of or give rise to Interruptions are Credits or Credit Allowances to the extent available under this Section 2.26; for any other Performance Failures or in the event Credits or Credit Allowances are unavailable (due to the fact, for example, that the Customer does not incur any fixed monthly charges), Customer's sole and exclusive remedy in lieu of said Credits or Credit Allowances will be an immediate right to Terminate Services prior to the expiration of the Minimum Service Period.

#### 2.27 Local Calling Area

The Company will provide Services from all exchanges of Other Providers whose services or facilities are used by the Company in providing the Services, in conformance with each Other Provider's existing local exchange boundary maps as approved by the Commission.

#### 2.28 Access to Telephone Relay Service

Where required by Regulation, the Company will participate in telephone relay services, and will comply with all regulations and requirements related thereto.

#### 2.29 Compliance

The Company and Customer shall (and Customer shall cause User to) comply with all Regulations.

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2. RULES AND REGULATIONS (cont.)

2.30 Force Majeure

The Company is excused from any Performance Failure due to causes beyond its reasonable control, including but not limited to acts of God, fire, floods, other catastrophes, insurrections, national emergencies, wars, strikes, work stoppages or other labor disputes, unavailability of rights-of-way, disconnection or unavailability (through no fault of the Company) of any Other Provider's facilities or services, or any Regulation or other directive, action or request of any Governmental Authority.

2.31 Full Force and Effect

Should any provision or portion of this Tariff be held by a court or administrative agency of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions of this Tariff will remain in full force and effect.

2.32 Cooperation

Customer shall cooperate with the Company to the extent necessary for the Company to discharge its obligations hereunder and as reasonably requested by the Company.

2.33 Governing Law

This Tariff is to be governed by and construed in accordance with the rules and orders of the Commission and the laws of the State of Tennessee.

2.34 Assignment

2.34.1 By Customer. The Customer may not transfer or assign its rights or obligations associated with any Service Order without the Company's prior written consent. The Company will permit a Customer to transfer its Service to another party only upon payment of all Charges due through the date of transfer. Such a transfer will be treated as a discontinuation, followed by an installation of new Services, subject to any applicable installation or other non-recurring Charges.

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2.34.2 By Company. The Company may, in accordance with Regulations, assign its rights or delegate its obligations under this Tariff to any affiliate or successor in interest.

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## Local Exchange Services

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### 3. DESCRIPTION OF SERVICES

#### 3.1 Local Exchange Service

Local exchange service is provided by the Company through local exchange service facilities provided by an Other Provider. The Company's Services consist of (i) Prepaid Residential Telecommunications Services; (ii) Prepaid Business Telecommunications Services; (iii) Standard Residential Telecommunications Services; (iv) Standard Business Telecommunications Services; (v) Optional Service Features; (vi) Directory Listing Service; and (vii) 911 Service.

##### 3.1.1 Prepaid Residential and Business Telecommunications Services ("Prepaid Service")

Prepaid Service is a switched, intrastate, telecommunications service which permits Customers to establish communications between two locations within the State of Tennessee. Prepaid Service is available only within a Local Calling Area as described in Section 2.27.

3.1.1.A Prepaid Service provides a Customer with a single, voice-grade communications channel, including a telephone number and a Directory Listing. Prepaid Service permits a Customer to: (i) place calls within the Local Calling Area; (ii) access 911 Service if available in the Customer's Local Calling Area; (iii) place calls to toll-free "800" or "888" telephone numbers. Prepaid Service does not permit a Customer to originate calls to direct dial (1+) or (0+) toll services or to caller-paid information services (e.g., "900", "976", "711"). Calls to telephone numbers used for toll services and caller-paid information services will be blocked by the Company.

3.1.1.B Standard Features. Each Prepaid Service Customer is provided with only local exchange service.

3.1.1.C Optional Features. Prepaid Service Customers may select from the following optional features: (i) Call Waiting; (ii) Call Forwarding; (iii) Call Return; (iv) Caller ID; (v) Three Way Calling; (vi) Speed Dial; and (vii) Unpublished Number.

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### 3. DESCRIPTION OF SERVICES (cont.)

#### 3.1 Local Exchange Service (cont.)

3.1.1.D Rates and Charges. The Company will charge a Prepaid Service Customer applicable Non-Recurring Charges, monthly Recurring Charges, and Usage Charges as specified in Section 4.

#### 3.1.2 Standard Residential Telecommunications Services ("Standard Residential Service")

Standard Residential Service is a switched, intrastate, telecommunications service which permits Customers to establish communications between two locations within the State of Tennessee. Standard Residential Service is available only within a Local Calling Area as described in Section 2.27.

3.1.2.A Standard Residential Service provides a Customer with a single, voice-grade communications channel, including a telephone number and a Directory Listing. The Company's Standard Residential Service permits a User to: (i) place calls within the Local Calling Area; (ii) access 911 Service if available in the Customer's Local Calling Area; and (iii) place calls to toll-free "800", "888" and "877" telephone numbers, to toll services or to caller-paid information services (e.g., "900", "976", "711").

3.1.2.B Standard Features. Each Standard Residential Service Customer is provided with only local exchange service.

3.1.2.C Optional Features. Standard Residential Service Customers may select from the following optional features: (i) Call Waiting, (ii) Call Forwarding; (iii) Call Return; (iv) Caller ID; (v) Three Way Calling; (vi) Speed Dial; and (vii) Unpublished Number.

3.1.2.D Rates and Charges. The Company will charge a Standard Residential Service Customer applicable Non-Recurring Charges, monthly Recurring Charges, and Usage Charges as specified in Section 4.

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### 3. DESCRIPTION OF SERVICES (cont.)

#### 3.1 Local Exchange Service (cont.)

##### 3.1.3 Standard Business Telecommunications Services ("Standard Business Service")

Business Service is a switched, intrastate, telecommunications service which permits Customers to establish communications between two locations within the State of Tennessee. Business Service is available only within a Local Calling Area as described in Section 2.27.

3.1.3.A Business Service provides a Customer with a single voice-grade communications channel, including a telephone number and a Directory Listing. The Company's Business Service permits a User to: (i) place calls within the Local Calling Area; (ii) access 911 Service if available in the Customer's Local Calling Area; and (iii) place calls to toll-free "800", "888" and "877" telephone numbers, to toll services or to caller-paid information services (e.g., "900", "976", "711").

3.1.3.B Standard Features. Each Business Service Customer is provided with only local exchange service.

3.1.3.C Optional Features. Business Service Customers may select from the following optional features: (i) Call Waiting; (ii) Call Forwarding; (iii) Call Return; (iv) Caller ID; (v) Three Way Calling; (vi) Speed Dial; and (vii) Unpublished Number.

3.1.3.D Rates and Charges. The Company will charge a Business Service Customer applicable Non-Recurring Charges, monthly Recurring Charges, and Usage Charges as specified in Section 4.

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### 3. DESCRIPTION OF SERVICES (cont.)

#### 3.1 Local Exchange Service (cont.)

##### 3.1.4 Optional Service Features

- 3.1.4.A Call Waiting. A tone signals the User to indicate that another call is waiting. The User can answer the second call by flashing the switchhook or by hanging up the phone.
- 3.1.4.B Call Forwarding. The User may direct incoming calls to the Customer's telephone number to be routed to a User-defined telephone number.
- 3.1.4.C Three Way Calling. The User may sequentially call up to two other Customers' telephone numbers and add the calls together making a three way call.
- 3.1.4.D Unpublished Number. The Customer may refuse a listing of its name, street address, and telephone number in the telephone directory published by the dominant exchange service provider in the Customer's exchange area.
- 3.1.4.E Speed Dial. The User may call pre-selected, pre-programmed telephone numbers by dialing a one or two-digit code.
- 3.1.4.F Call Return. The User may return the last call to the Customer's telephone number by dialing a one or two-digit code.
- 3.1.4.G Caller ID. The User may view on a display unit the telephone number of incoming telephone calls.

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### 3. DESCRIPTION OF SERVICES cont.

#### 3.1 Local Exchange Service (cont.)

##### 3.1.5 Directory Listing Service

- 3.1.5.A The Company will provide Customer a single directory listing consisting of the Customer's name, Customer's street address, and Customer's telephone number which is designated as the Customer's main billing number, in the telephone directory published by the dominant exchange service provider in the Customer's exchange area.
- 3.1.5.B The Company may limit the length of any listing in the directory by the use of abbreviations when, in its sole discretion, the clarity of the listing or the identification of the Customer is not impaired thereby.
- 3.1.5.C The Company may, in its sole discretion, refuse a listing (i) that does not constitute Customer's legally authorized or adopted name; (ii) that contains obscenities in the name; (iii) that is likely to mislead or deceive calling persons as to the identity of the listed party; (iv) that is a contrived name used for advertising purposes or used to secure a preferential position in the directory; or (v) that is more elaborate than reasonably necessary to identify the listed party. The Company will notify Customer prior to withdrawing any listing which is found to be in violation of this subpart.
- 3.1.5.D In order for listings to appear in a directory, a Customer must furnish the listing to the Company in time to meet the directory publishing schedule.

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3. DESCRIPTION OF SERVICES (cont.)

3.1 Local Exchange Service (cont.)

3.1.6 911 Emergency Service ("911 Service")

- 3.1.6.A 911 Service permits Customers to reach appropriate emergency services including police, fire and medical services.
- 3.1.6.B The Company undertakes no responsibility to inspect or to monitor 911 Service facilities to discover errors, defects, or malfunctions in 911 Service.
- 3.1.6.C Upon the Company's transmittal of a Customer's 911 service record, including the Customer's name, address and telephone number, to the appropriate public safety agency, such agency is solely responsible for the accuracy of the Customer's street name, address, telephone number, appropriate police, fire, ambulance or other agencies' jurisdiction over such address, as well as any and all changes as they occur in the establishment of new streets, the closing or abandonment of existing streets, the modification of municipal or county boundaries, the incorporation of new cities or any other similar matter that may affect the routing of 911 Service calls to the proper Public Safety Answering Point.
- 3.1.6.D By dialing 911, the Customer, to the fullest extent permitted by law, waives all privacy rights afforded by non-listed and non-published Service to the extent that the Customer's telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.

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### 3. DESCRIPTION OF SERVICES (cont.)

#### 3.2 Timing of Calls

The Customer's monthly charges for Services provided hereunder are based upon one or more of the following: (i) the total time the User actually uses the Services (rounded to the increments set forth in herein); (ii) certain recurring charges as set forth herein; or (iii) in the case of Private Line Service, the airline mileage between the originating and the terminating rate centers of each call as calculated using the V and H coordinates set forth in BellSouth Telecommunications, Inc.'s Private Line Services Tariff on file with the Commission. The method of calculation of the airline mileage between rate centers is calculated according to the following formula.

$$\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}$$

Where V1 and H1 are the V and H coordinates of point 1, and V2 and H2 are the V and H coordinates of point 2. The mileage is rounded up to an integer value to determine the airline mileage.

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### 4. RATES

#### 4.1 Return Check Charge

The Customer will be charged twenty dollars (\$20.00), five percent (5%) of the face amount of the check, or the applicable statutory return check charge (if any), whichever is greater, whenever a check or draft presented for payment of Service is dishonored by the institution upon which it is drawn.

#### 4.2 Reconnection Fee

A charge of twenty-five dollars (\$25.00) or the applicable statutory charge for reconnection of Service (if any), whichever is greater, will apply whenever a User requests to be reconnected to the Services after the Company has Terminated the Services to User for any reason allowed by this Tariff.

#### 4.3 Promotions

The Company may from time to time engage in special promotions of new or existing Service offerings of limited duration designed to attract new customers or to increase existing Customer awareness of a particular offering. The promotional offerings are subject to the availability of the Services and may be limited to a specific geographical area or to a subset of a specific market group; provided, however, all promotional offerings shall be offered in accordance with applicable Commission rules or regulations (i.e., thirty (30) days written notice to the Commission before implementation).

#### 4.4 Miscellaneous Rates and Charges

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required or allowed by governmental or quasi-governmental authorities to collect from, or pay to others, in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to pay telephone service providers for the use of their pay telephones to access the Company's Services.

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Issued:

Effective:

By: Mr. Mark Camerire  
President and Chief Operating Officer  
Vertex Communications, Inc.  
210 East Main Street  
Walhalla, South Carolina 29691



Local Exchange Services

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4. RATES (cont.)

4.5 Prepaid Residential Telecommunications Services

4.5.1 Non-Recurring Charges

Processing/Application Fee:	\$10.00
Directory Listing:	\$ 0.00
Premises Work Charge:	
(A) First 15-minute increment or fraction thereof	\$12.50
(B) Each additional 15-minute increment or fraction thereof	\$12.50
(C) Minimum charge per Customer request	\$50.00
(D) Change / Add Service	\$15.00
(E) Transfer Fee	\$25.00
(F) Restore Fee	\$20.00
(G) Late Fee	\$10.00

4.5.2 Recurring Charges

Monthly Residential Service	\$39.95
Directory Listing	\$ 0.00
911 Service	\$ 0.00

4.5.3 Optional Features

4.5.3.A Non-Recurring Charges

Caller ID Set Up Fee	\$ 0.00
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4.5.3.B Recurring Charges

Call Waiting	\$ 5.00
Call Forwarding	\$ 5.00
Three Way Calling	\$10.00
Unpublished Number	\$ 5.00
Speed Dial	\$ 5.00
Call Return	\$10.00
All Above Options	\$25.00
Caller ID	\$10.00

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4. RATES (cont.)

4.6 Prepaid Business Telecommunications Services Rates

4.6.1. Non-Recurring Charges

Processing/Application Fee:	\$10.00
Directory Listing:	\$ 0.00
Premises Work Charge:	
(A) First 15-minute increment or fraction thereof	\$12.50
(B) Each additional 15-minute increment or fraction thereof	\$12.50
(C) Minimum charge per Customer request	\$50.00
(D) Change / Add Service	\$15.00
(E) Transfer Fee	\$25.00
(F) Restore Fee	\$20.00
(G) Late Fee	\$10.00

4.6.2 Recurring Charges

Monthly Residential Service	\$39.95
Directory Listing	\$ 0.00
911 Service	\$ 0.00

4.6.3 Optional Features

4.6.3.A Non-Recurring Charges

Caller ID Set Up Fee	\$ 0.00
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4.6.3.B Recurring Charges

Call Waiting	\$ 5.00
Call Forwarding	\$ 5.00
Three Way Calling	\$10.00
Unpublished Number	\$ 5.00
Speed Dial	\$ 5.00
Call Return	\$10.00
All Above Options	\$25.00
Caller ID	\$10.00

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### 4. RATES (cont.)

#### 4.7 Standard Residential Telecommunications Services Rates

##### 4.7.1 Non-Recurring Charges

Processing/Application Fee:	\$10.00
Directory Listing:	\$ 0.00
Premises Work Charge:	
(A) First 15-minute increment or fraction thereof	\$12.50
(B) Each additional 15-minute increment or fraction thereof	\$12.50
(C) Minimum charge per Customer request	\$50.00
(D) Change / Add Service	\$15.00
(E) Transfer Fee	\$25.00
(F) Restore Fee	\$20.00
(G) Late Fee	\$10.00

##### 4.7.2 Recurring Charges

Monthly Residential Service	\$39.95
Directory Listing	\$ 0.00
911 Service	\$ 0.00

##### 4.7.3 Optional Features

###### 4.7.3.A Non-Recurring Charges

Caller ID Set Up Fee	\$ 0.00
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###### 4.7.3.B Recurring Charges

Call Waiting	\$ 5.00
Call Forwarding	\$ 5.00
Three Way Calling	\$10.00
Unpublished Number	\$ 5.00
Speed Dial	\$ 5.00
Call Return	\$10.00
All Above Options	\$25.00
Caller ID	\$10.00

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4. RATES (cont.)

4.8 Standard Business Telecommunications Services Rates

4.8.1 Non-Recurring Charges

Processing/Application Fee:	\$10.00
Directory Listing:	\$ 0.00
Premises Work Charge:	
(A) First 15-minute increment or fraction thereof	\$12.50
(B) Each additional 15-minute increment or fraction thereof	\$12.50
(C) Minimum charge per Customer request	\$50.00
(D) Change / Add Service	\$15.00
(E) Transfer Fee	\$25.00
(F) Restore Fee	\$20.00
(G) Late Fee	\$10.00

4.8.2 Recurring Charges

Monthly Residential Service	\$39.95
Directory Listing	\$ 0.00
911 Service	\$ 0.00

4.8.3 Optional Features

4.8.3.A Non-Recurring Charges

Caller ID Set Up Fee	\$ 0.00
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4.8.3.B Recurring Charges

Call Waiting	\$ 5.00
Call Forwarding	\$ 5.00
Three Way Calling	\$10.00
Unpublished Number	\$ 5.00
Speed Dial	\$ 5.00
Call Return	\$10.00
All Above Options	\$25.00
Caller ID	\$10.00

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### 4. RATES (cont.)

#### 4.9 Directory Assistance

The Company does not provide local directory assistance. Access to long distance directory assistance may be obtained by dialing 1+555-1212 or 411 for listings within the originating area code and by dialing 1 + (area code) + 555-1212 for other listings. User will be billed One Dollar and Twenty-five Cents (\$1.25) for each intrastate directory assistance call. The directory assistance charge applies to each call regardless of whether the directory assistance bureau is able to furnish the requested telephone number.

#### 4.10 Rates for Hearing or Speech Impaired

For properly certified hearing or speech impaired Users who communicate via a TDD, the Company will issue upon request a credit for certain intrastate toll charges for calls made between TDDs. Users using TDDs with the assistance of the relay center will receive a credit on their subsequent bill equal to fifty percent (50%) of the rate for the applicable rate period. If either the User or the called party indicates that either party is both hearing and visually impaired, the call shall be discounted by twenty-five percent (25%) of the applicable rate. Such credit does not apply to surcharges on per call add-on charges for operator services when the call is placed by a method that would normally incur the surcharge.

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